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FINANCIAL TIMES

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Pinochet's fate to be decided
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World News

Discovery lands amid roars of delight

Discovery space shuttle touched down precisely on time in the Mojave Desert in California, ending the first manned US space mission since the Challenger tragedy.

Aids increase: A World Health Organisation official said there had been a sharp increase in the number of adults with AIDS and that there was a global pandemic spreading through the human population.

West Bank protest: Palestinians in the West Bank and Gaza Strip held another general strike in protest at a decision by Israeli authorities to keep schools and universities in the territories closed until the middle of next month.

US warns Chile: The State Department said it had told President Pinochet's cabinet of reports that he might cancel the vote on whether he should stay in power until 1997 or nullify the result.

Unita offer: Angolan rebel leader Jonas Savimbi a ceasefire with Cuban troops in Angola if Cuba stopped attacking his forces, the BBC reported.

PLO election move: Mustafa Nabeh, deputy mayor of Hebron and vocal Palestinian leader in the occupied West Bank, said he believed the PLO might suspend armed struggle to help the Israeli-Khata elections on November 1.

Burma strike ends: Thousands of civil servants and factory workers heeded official warnings and returned to work as the military Government appeared to have broken Burma's first general strike in 26 years.

US, Greece in talks: Greek and American negotiators resumed talks for a new bases agreement after differences over a Greek demand for the closure of a US Air Force base at Athens Airport were smoothed out.

Libya, Chad link: Libya and Chad announced they had restored diplomatic relations, just over a year after signing a ceasefire which ended their war.

Peking visit: Rajiv Gandhi, India's Prime Minister, is to visit Peking in December for talks with Chinese leaders.

Jamaica aid: President Reagan told Jamaican Prime Minister Edward Seaga the US would give \$125m to help it after damage caused by Hurricane Gilbert.

Enclave visit: A senior Soviet official in charge of nationalities issues was sent to the Azerbaijani region of Nagorno-Karabakh as strikes continued to paralyse the disputed territory.

Business Summary

Taiwan yields to pressure on securities tax law

TAIWAN'S financial authorities have apparently succumbed to pressure from investors and stockbrokers and changed a revision of the law concerning taxes on securities transactions - announced last week - which has seriously affected trading on the exchange.

McDONNELL DOUGLAS, US manufacturer, has won a \$937m (\$1.8bn) contract to equip the Swiss air force with 34 of its F/A-18 Hornet combat aircraft.

SIR RON BIRRIELEY, New Zealand entrepreneur, has acquired a 5.2 per cent stake in Vickers, UK engineering, rolling Royce cars group, during the past six weeks.

BOUYGUES, leading French construction and communications group whose shares have been under heavy pressure, emphasised that Robert Maxwell acted on his own initiative when he had acquired a stake of nearly 5 per cent in the company.

UNITED STATES' factory orders, which have been spurting the overall economy, rose a strong 3.1 per cent in August, US Commerce Department said.

SCANDINAVIAN Airlines System and Texas Air, US airlines, are expected to announce a co-operation agreement in New York which would give the Scandinavian carrier more destinations in the important US market.

CHANNEL TUNNEL is on target to open in May 1993, but will cost 7.2 per cent more than forecast, Anglo-French Euro-tunnel consortium said.

DU PONT, biggest US chemicals company, is to introduce new products such as drugs and electronic imaging systems into its traditional business of basic chemicals.

CHARRER MANAJATIAN, US bank, is joining forces with Sipiyo Berlusconi's Fininvest group in Italy to market two new mutual funds designed to channel Italian investment into foreign equities and bonds.

JAMES CAPEL, London stockbroker and founder of Hongkong and Shanghai Banking Corporation, is to expand its Singapore presence by taking eventual control of Kay Hian, local securities firm.

M.N. ROTHSCHILD, UK merchant bank, has joined forces with Carlos Lagan, former Brazilian central bank governor, to create a company designed to develop opportunities in the growing Brazilian debt/equity swap market.

MANQUE Nationale de Paris, France's biggest in terms of assets, said its earnings for the first half of 1988 were up 5 per cent from a year earlier, largely reflecting a dip in its operating provisions.

NORDBRANKEN, Sweden's fifth-largest publicly quoted commercial bank, reported a five-fold increase in profits for the first eight months, indicating the cost-cutting programme and tougher stance on credit losses have taken effect.

GRUPE Saint-Louis, French food group, reported a 27 per cent increase in first-half consolidated net income to FF2,29m (\$29m) after payments to minority interests.

GKN, UK engineering group, paid \$42.8m (\$60m) for a 22.02 per cent stake in Westland, British helicopter manufacturer, and said its aim was to gain a controlling interest in the company.

Lebanese police announce release of Indian hostage

LEBANESE police said last night that one of the foreign hostages held in Lebanon had been freed, shortly after the US and Syria both announced that they were seeking someone to be released. Our Foreign Staff reports.

Fitzwater, the White House spokesman, said shortly before the news from Beirut. "We have heard this before and it hasn't happened." Despite this disclaimer, one State Department official was quoted as saying that the US was "highly optimistic" that the release would take place.

Mr Farouq al-Shara, Syrian Foreign Minister, told reporters in New York that a hostage would be released in Lebanon and NBC News, the US television network, reported that Mr Alann Steen, one of Mr Singh's colleagues, was being released and was on his way to Damascus, Syria.

On Saturday, the Islamic Jihad for the Liberation of Palestine, which claims to be holding hostage the four Americans seized on the campus of Beirut University in January 1987, said it would release one of them "to prove our goodwill and seriousness in this matter".

Twenty-five foreigners including nine Americans are believed to be held hostage in Lebanon. Prospects for their release have improved with the ceasefire in the Gulf War and Iran's efforts to improve its relations with the West.



Mithalshwar Singh: Reportedly freed

Kuwait faces British order to halve 21.7% stake in BP

By Max Wilkinson, Resources Editor, in London

THE STATE-OWNED Kuwait Investment Office is expected to be told today that it must halve its 21.7 per cent stake in British Petroleum, the UK's largest company.

The announcement is due to be made by Lord Young, Britain's Trade and Industry Secretary, who will be giving the Government's response to a Monopolies Commission report into the controversial holding.

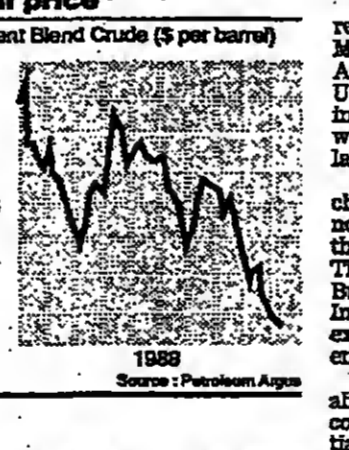
Discreet attempts were made to persuade the KIO to stop buying the stock but by the turn of the year Sheikh Ali Khalifa, the Kuwait Oil Minister, had become interested and was pulling political muscle.

The KIO started buying cautiously at first but was able to build up a stake of 15 per cent by the first week in November without any large effect on the price.

Oil price slips as Saudis try to restore Opec quota discipline

By Steven Butler in London

OIL PRICES continued to slide yesterday as traders reacted to growing fears that an all-out production war had begun among Gulf oil producers.



At the weekend, Mr Ghobadpour, the Iranian Oil Minister, accused Saudi Arabia, Kuwait, Iraq, and the United Arab Emirates of flooding the market with oil and warned of a fall in prices similar to the 1986 collapse.

Traders said overall sentiment was bearish and that the part recovery of prices was due to a technical rally in which traders took profits on the steep falls that had already taken place.

MARKETS

Table with 2 columns: Market/Instrument and Price/Change. Includes Sterling, Dollar, and Stock Indices.

CONTENTS

Table listing various news items and their page numbers, including 'Law professor faces up to the challenge of W German defence'.

Spanish and UK banks in strategic alliance

By David Baruchard in London and Peter Bruce in Madrid

ROYAL Bank of Scotland, the sixth largest UK bank, and Banco Santander of Spain, yesterday announced a wide-ranging alliance in the markets of member states of the European Community aimed at enabling them to compete with larger banks after the arrival of a single European financial market in the 1990s.

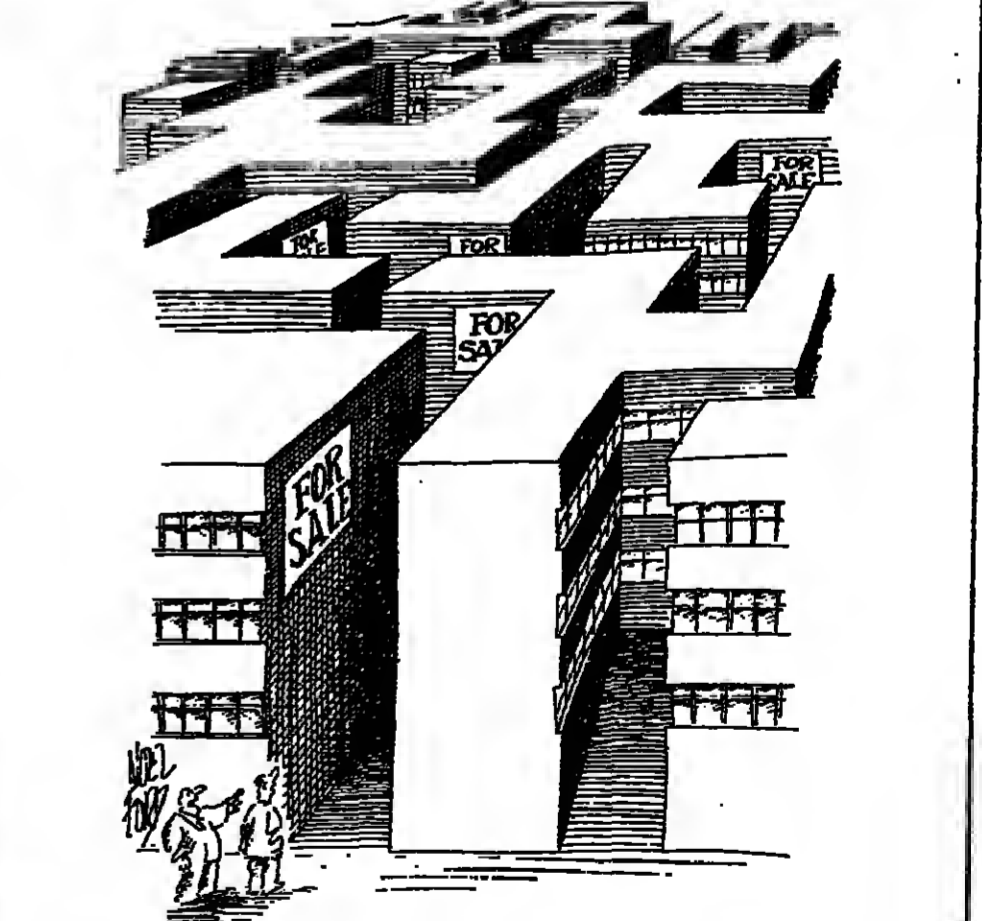
Death of Strauss likely to change political terrain

By Haig Simonian in Munich and David Marsh in Bonn

THE DEATH yesterday of Mr Franz Josef Strauss, the 73-year-old Bavarian Prime Minister who stood at the epicentre of West German politics, looks likely to change perceptibly the parliamentary landscape he helped to shape.

A successor as Bavarian premier has to be named by the state parliament within the next four weeks. All eyes are already on Mr Max Streibl, the Bavarian finance minister, and deputy prime minister.

Mr Strauss was taken to hospital in Regensburg on Saturday when he collapsed during a hunting trip. After being kept alive mechanically for 44 hours, he died shortly before midnight yesterday of heart and circulatory failure.



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Moscow reveals scale of losses by Soviet companies

By Quentin Peel in Moscow

NEW FIGURES on the chronic problem of insolvency in the economy of the Soviet Union suggest that losses total almost Roubles 12bn (€1.4bn) a year, and affect more than one in 10 state enterprises in virtually every major sector.

Specific proposals to deal with the loss-making operations, including the options of liquidating them, merging them with more profitable operations, or selling them off to workers' co-operatives, are to be presented to the Soviet Council of Ministers by mid-October.

The figures produced by Goskomstat, the state statistics committee, show that almost Roubles 4.28bn were lost by industrial enterprises - by far the heaviest drain on the state budget.

It said that 3,960 of such enterprises were insolvent - or 13 per cent of the total in the country.

The situation was proportionally worse for state farms, with 16 per cent insolvent, their losses totalling almost Roubles 1.85bn. As for the agro-industrial sector, including food processing, losses totalled Roubles 1.2bn, and affected 14 per cent of all enterprises.

The worst performance in the Soviet economy, according to the official statistics, was in the service sector - the area where Mr Mikhail Gorbachev, the Soviet leader, has been most actively promoting new co-operative ventures. There, 23 per cent of all state enterprises were insolvent in 1987, although their losses only totalled Roubles 137m.

France and Italy hit by EC cut in price for sunflower seed

By First Director in Brussels

CLEAR evidence of the impact on farmers of the agricultural reforms agreed at the European Community summit in February was provided yesterday with the announcement that the guaranteed price of sunflower seed has been cut by 19.5 per cent.

The reduction applies to all member states except Spain and Portugal, and will particularly affect France and Italy where the bulk of production outside the two Iberian countries is concentrated.

Polish plea on company controls

By Christopher Bobinski in Warsaw

POLAND'S Communist party has been urged to relinquish control over company management appointments by delegates from some 90 democratically elected workers' self-management councils meeting in Poznan.

The demand has been fiercely resisted in the past though economists argue that it is essential if decentralising reforms are to succeed.

The meeting also called for the implementation of democratic procedures for national elections, equal treatment by the Government of state and private sectors, and plurality of trade unions which is being blocked by the authorities who are loath to legalise the Solidarity movement.

Delegates adopted a moderate stance on the Solidarity issue, voting overwhelmingly against explicitly demanding its return.

Low turnout overshadows French poll result

By Ian Davidson in Paris

THE LOW turnout by voters in France's cantonal elections has overshadowed the result which saw the Socialist party making a net gain of 89 seats. The post-war record rate of abstention in last Sunday's second round of balloting bodes ill for the forthcoming referendum on a government for the Pacific territory of New Caledonia.

The Socialist gains mean that Mr Michel Rocard's three-month-old government has avoided the kind of rebuff from the voters often associated with cantonal elections, and to that extent it is an encouraging verdict on his performance.

On the other hand, the 53 per cent abstention rate seems to indicate that the electorate is profoundly disenchanted with the voting process, and possibly with the political parties as well.

With what *Le Monde* describes as "formidable hypocrisy", Mr Alain Juppé, general secretary of the Gaullist RPB party, has urged the Government to draw the lesson of the cantonal elections and cancel the New Caledonia vote on November 6; and his recommendation has been echoed with rare unanimity by other leading opposition figures.

Warning on Danish economy

By Hilary Barnes in Copenhagen

HIGH and rising unemployment, with little or no improvement in the deficit on the current balance of payments, faces Danish economic policy planners with a tough challenge, an official economy survey declared yesterday.

Mr Niels Halveg Petersen, Economy Minister, emphasised that it is up to the labour market partners to ensure that Danish wage costs rise less fast than costs abroad if the employment situation is to be improved.

Optimistic budget unveiled for Norway

By Karen Fossell in Oslo

NORWAY'S minority Labour government, which faces elections next year, has unveiled an optimistic budget for 1988.

The budget relies almost completely on earnings from the petroleum sector to allow for a real increase in spending of 3.5 per cent.

The budget projects a surplus for 1989 of Nkr 4.9bn (€419m), up from Nkr 2.4bn this year, on total expenditure of Nkr 253.9bn.

By the end of the year, the Government forecasts that inflation will drop to between 5 and 6 per cent while the average rate of inflation from 1988 to 1989 is estimated to decline to 4 per cent.

Three countries still to nominate commissioners

By David Suchan in Brussels

ITALY, France and Ireland are now the only European Community member states yet to nominate representatives to the new European Commission taking office next January, following Luxembourg's decision to name one of its most experienced EC diplomats to the Brussels executive.

Under this arrangement production targets for each of the major arable crops were established at the beginning of the season and price penalties automatically built into the system if the harvest exceeded the chosen figure.

In the event, sunflower production in the 10 member states excluding Spain and Portugal is estimated at 2.8m tonnes, against the 2m provided for in the "stabiliser".

The rules specify a 0.45 per cent price cut for each 1 per cent of "excessive" output which means that the "indicative" price of Ecu68.35 (€88) per 100kg for the sector has been cut by Ecu11.58.

Production in Spain and Portugal, at 1.52m tonnes and 47,000 tonnes respectively, fall within their guaranteed maximum quantity so that the price there remains unchanged.

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Thatcher comes under renewed fire by Brussels

By David Buchan in Brussels

THE PUBLIC led given by Mr Jacques Delors, the European Commission president, in deriding Mrs Margaret Thatcher's recent warnings about rapid moves towards European union was yesterday followed by two others in the 17-man Brussels executive.

Lord Cockfield, the British representative for the EC internal market, and Mr Peter Sutherland, the Irishman in charge of EC competition policy, both used public speeches yesterday to counter certain of the UK Prime Minister's contentions about current initiatives to abolish internal frontiers and to bolster economic convergence with monetary union.

Speaking to the Swiss Institute for International Studies in Zurich, Lord Cockfield referred to "unconceived" worries about the loss of national sovereignty. The Community involved member states "pooling", rather than losing, national sovereignty.

The right reaction by member states was, he claimed, "not blind opposition, but a determination to be where the action is, to play a full and constructive part in the development of policies to the common good".

Referring to the mandate of the Delors Committee set up to report next spring on next

steps towards monetary union, Lord Cockfield noted that provocative terms like "European central bank" and "single currency" have been avoided in view of the sensitivities of certain member states. "But no one need have any doubt about what is intended, or where we are going, or our determination not just to travel hopefully but to arrive."

Addressing a Berlin audience, Mr Sutherland took particular issue with Mrs Thatcher's contention that frontier checks would be needed after 1992 to control terrorism.

As a former Irish Attorney General, he noted "the most dangerous frontier within the Community in terms of terrorist activity is the border between the north and south of Ireland." Yet, there were no passport checks on that border, and Mr Sutherland said he had never heard any British or Irish adviser suggest that introducing such checks would "reduce terrorism in the slightest".

Meanwhile, UK Conservative members of the European Parliament were yesterday meeting in London to try to reach an accommodation on the split that Mrs Thatcher's recent speeches have opened up within their ranks.

US and Greece resume talks on bases' future

By Andriana Terodiconou in Athens

NEGOTIATIONS on the future of US bases in Greece resumed here yesterday and will continue until Friday. They were suspended by Washington last month after Athens announced that one of the four facilities must close.

A Greek government spokesman said yesterday that the Hellenikon airbase, on Athens' eastern outskirts, would close, and none of its activities would be allowed to transfer to the other three installations.

The closing of Hellenikon was a necessary but insufficient condition for the signing

of a new bases agreement, which the Socialist Government has said must serve Greek national interests. The current five-year accord expires in December.

The Americans are understood to have been willing to consider dismantling Hellenikon, whose location (next to Athens airport in the seaside suburb of Glyfada) poses a security risk and has attracted protests and labour unrest. However, they were angered by the Greek announcement to allow the transfer of activities

West Germany keeps up pressure on UK for cut in low flying

DIVERGING VIEWS between Britain and West Germany about low flying by the Royal Air Force could surface in Bonn today when Mr Rupert Scholz, the West German Defence Minister, meets Mr George Younger, his British opposite number, as part of regular defence policy exchanges, writes David Marsh.

Mr Scholz made clear in an interview his desire for a further cut in low flying by Nato air forces in West Germany. Such training flights are

encountering growing opposition from politicians and public following a spate of accidents, culminating in the Ramstein air show disaster in August. "The burden we bear from low flying aircraft training is unmatched by any other country in the world. We have to bring about reductions here," he said.

Although Mr Younger is likely to show willingness to study the problem, Britain is understood to be underlining its view that such train-

ing has already been cut to a minimum. The RAF, which maintains bases in northern Germany, is adamant that further reductions would damage defence preparedness.

Mr Scholz will also spell out his Government's continuing commitment to the four-nation European Fighter Aircraft (EFA), to be built by Britain, West Germany, Italy and Spain, in spite of increasing criticism in Bonn about the programme's cost. "The EFA has been agreed. The Fed-

eral Republic will stick to the contract," said Mr Scholz. Spain has yet to sign its participation in the project's development phase, but the Bonn Defence Ministry expects it to do so within the next few weeks.

On another key issue, the minister suggested easing restrictions on technology transfers to the Soviet bloc in exchange for firm disarmament commitments by Moscow.

"If the Soviets are really ready for disarmament, then we can be much

more flexible in questions of technology transfer. The rules in CoCom (Co-ordinating Committee on Multilateral Export Controls) are aimed at protecting us from military misuse (of technology). If disarmament rather than rearmament takes place, then we can co-operate much more and give access to technology." He stressed the need for Moscow to come up with definite conventional disarmament measures to build up trust in the West.

Cool lawyer faces the challenge of Bonn's defence

David Marsh meets the new Defence Minister whose role also encompasses a degree of foreign policy

CHALLENGES. Mr Rupert Scholz insists, do not frighten him. The West German Defence Minister, a coolly rational Berlin law professor brought into the job in May by Chancellor Helmut Kohl, says with some justification that all western defence ministers have challenging tasks.

But the special problems facing Mr Scholz undoubtedly make his job one of the hottest. In an interview in his office at the Hardthöhe, the sprawling ministry complex outside Bonn, Mr Scholz spoke plainly about the political and psychological reasons behind an apparent flagging in the country's defence consensus.

Moving into areas of strategy which in recent years have been the preserve of Mr Hans-Dietrich Genscher, the Foreign Minister, Mr Scholz also promised Mr Mikhail Gorbachev greater co-operation with the West provided the Soviet Union shows readiness to disarm. Mr Scholz is due to accompany Mr Kohl on his trip to visit the Soviet leader in Moscow at the end of this month.

The Defence Minister's most pressing recent concern, however, has been the air show disaster at the US base of Ramstein at the end of August in which more than 60 people

died. Mr Scholz has run into heavy criticism from politicians and public opinion over whether the Federal Republic could or should take greater steps to limit potentially dangerous flying exercises by the western Allies over its soil.

A vociferous body of opinion on both right and left points out that, as a result of the legacy of post-1945 occupation and the Cold War, West Germany does not have full sovereign powers over its own territory.

Mr Scholz is a domish man who lifted his voice above senior common room levels only once during the interview, when asked about the consequences of Ramstein. "When I was criticised for being responsible for this accident, as if I had wanted it, then this is as absurd as it is unfair," he answered.

Mr Scholz, 51, joined the Christian Democratic Union only in 1983. Before his surprise appointment in May he was Senator in Berlin for Justice and Federal Affairs. He is still clearly more at home on the lecture podium than inspecting tanks.

Mr Scholz's predecessor, Mr Manfred Wörner, who left to become Nato's secretary general, is a military enthusiast who, during his 5½ years on the Hardthöhe, was never hap-



Scholz: emotional interest in East-West issues

the European Fighter Aircraft. "Today, one cannot really say that the consensus has grown 'tired'. But it is part of my job to give warnings when necessary," says Mr Scholz.

He says that the post-war West German defence consensus was very much built on the perceived threat from the East. "It reflects the fact that, over many years, the Federal Republic, through the division of Germany, had a provisional character."

The arrival of Mr Gorbachev - "a very adult man," says Mr Scholz - has led to widespread perception that West Germany could cut back on defence. "I see that differently. As long as we have no real disarmament in the conventional area, where Germany has a special burden to bear, that is not possible."

West Germany shows a willingness to follow Mr Gorbachev's peace overtures which some other western governments claim borders on credulousness. Mr Scholz, witness of the end of the war as a boy in Berlin, sees this partly in terms of the Germans' "sensitive psyche." "The Second World War is not forgotten. It has not been purged from people's awareness. Subconsciously, that is living on still. The catastrophe of 1945, the

terrible war and terrible time of National Socialism, are all still present in the awareness of the people," he says.

Asked about Mr Gorbachev's reforms, Mr Scholz says: "If Gorbachev wants to be successful, then he has to give his people better living conditions. That is only possible if he restructures the economy and frees it from these immense armaments expenditure which make up 17 per cent of gross national product. He has an underdeveloped, uncompetitive industry - and the technological gap between East and West is widening all the time."

He says that Mr Gorbachev has fallen up to now to give any detailed signs of steps towards conventional disarmament in Europe. One gesture, he suggests, would be through lowering the Soviet troop presence in East Germany where, he points out, there are more Soviet soldiers than in the whole of the US army in Europe.

But Mr Scholz's basic message is that, provided Mr Gorbachev moves to build confidence in the military area, Moscow will find Bonn a willing and helpful partner in the economic sphere. The dialogue will undoubtedly be taken a step further when Mr Kohl goes to Moscow in three weeks' time.

Polls fight by Estonian nationalists

THE ESTONIAN Popular Front, emerging triumphant from its founding congress, promised yesterday to fight parliamentary elections across the Soviet Baltic republic and resist the adoption of tough new public order laws, Rether reports from Tallinn.

"We want to change the mechanism of power in Estonia," said Ms Marju Lauristin, elected to the Front's seven-member ruling board by the 3,000 delegates who gathered in Tallinn at the weekend to give a formal basis to the six-month-old movement.

"Elections here have so far compromised themselves, not just because of the one-party system but because the results have been falsified," she told a news conference.

"We want to put up candidates in every town and settlement in November who really deserve the name of deputy. We also will set up a commission to monitor the elections."

The Popular Front, until now a loose grass-roots organisation, has emerged as a powerful force in recent months, taking literally Mr Mikhail Gorbachev's call for greater democratisation of Soviet society.

Although the Front has spawned similar movements in other Soviet republics, notably in neighbouring Latvia and Lithuania, it appears to have gone further and to have partially seized the initiative from the local Communist party.

However, it has been careful not to mount a direct challenge to the authority of the Communists.

"Just because our candidates may fight Communists on an individual basis in the elections does not mean we are opposed to the party," Mr said Edgar Savisaar, another board member.

The Communist party leader, Mr Vaino Vaelas, a reformer who was appointed in June, agreed. "We do not oppose each other," he said after the congress, whose proceedings were broadcast live across Estonia. "This is what we call socialist pluralism."

Ms Lauristin said the movement's immediate aims included changes in the Estonian constitution to give a legal basis to the Popular Front and allow it to contest elections.

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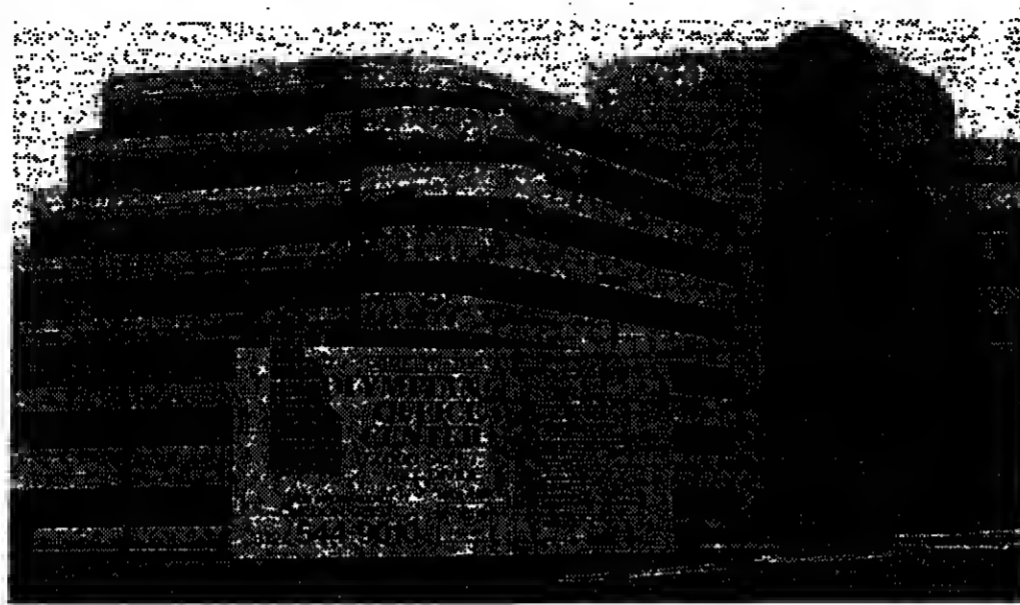
Candidates' TV debate in doubt

By Lionel Barber
 THE SECOND and final presidential debate between Vice President George Bush and Governor Michael Dukakis was cast into doubt yesterday when the League of American Voters unexpectedly withdrew its sponsorship of the event.
 Democrats said that they were optimistic that a substitute sponsor for the debate, set for Los Angeles on October 13 or 14, could be found.
 However, the Republican campaign, which has never been confident about Mr Bush's debating skills, may choose to reopen negotiations on the second encounter with Mr Dukakis.
 The League gave no immediate explanation for its withdrawal, but its senior officials had earlier complained that the two political parties were trying to sidestep the League to manipulate the debates for political advantage.
 The first presidential debate on September 25 - marked as a draw - was sponsored by the Democratic and Republican national committees under an umbrella group called the Commission on Presidential Debates.
 Mr Paul Kirk, chairman of the Democratic national committee, said that he hoped the Commission could step into the vacuum.

Sky high plans for mile-high Denver

Deborah Hargreaves examines a marketing drive to entice a mountain of business

Faced with a declining job base and stagnant mountain economy, Denver's city fathers have launched a grandiose plan to put the mile-high city back on its feet again.
 As part of an aggressive marketing drive for the city, Mr Federico Pena, Denver's mayor, and city business representatives arrived in Chicago recently to invite local executives to be entertained by their opposite numbers in Denver.
 The "buddy" initiative is part of a scheme to entice Chicago businessmen to fill some of Denver's plentiful empty office space.
 Mr Pena is quick to stress that he is not trying to poach business from the windy city, but to encourage Chicago corporations to expand to Denver.
 Back in the 1970s, Denver was a Rocky Mountain idyll that lured many world-weary Eastern businessmen. But its economy, with its focus on the oil and gas industry and local farming, has faltered leaving a vacancy rate for its overbuilt office blocks higher than that of even Dallas and Houston.
 Denver has lost 29,000 jobs in the past two years and for the first time in two decades, more people are moving out than moving in.
 "We really didn't have to do much marketing before and



Too much space and not enough people up in the mountains

now we realise we've been left behind," says Mr Pena, who is selling the positive aspects of the Rocky Mountain city such as its 20 private golf courses and 300 days of sunshine.
 The city is trying to attract the communications industry - currently its biggest corporation is US West, a telephone company - insurance and financial institutions firms as

well as professional trade associations.
 At the same time, Denver has embarked upon an ambitious development programme with plans for a huge international airport - the first in the US to be built from scratch since Dallas-Fort Worth in 1974 - and a major downtown convention centre.
 The city has recently

annexed 45 square miles of suburban land to build the controversial new airport at an estimated cost for the first stage of \$1.6bn. The proposed start-up date is in 1993.
 "The airport will be a tremendous magnet especially for international companies," enthuses Mr Pena, who sees it pushing Denver into second place in the nation's busiest

airport stakes.
 The new development will replace Denver's Stapleton - currently fifth busiest in the US - which will be closed.
 However, the funding for the project - part of which is to be raised by selling airport revenue bonds - is widely viewed as shaky and opponents believe it would be much more cost-effective to expand Stapleton.
 The \$200m convention centre to be built next to Denver's major downtown retail development should help the city attract its share of business meetings, the city fathers reason.
 Mr Pena has already enticed the Christian Bookseller's Association to bring 20,000 attendees to one of the centre's first conventions in 1990.
 But in the highly competitive convention centre market, Denver will have to fight hard for its share.
 The city is spending close to \$3bn to develop its infrastructure and an additional \$600,000 on its "buddies" venture. It further plans to lure business with a hefty round of tax incentives and training grants.
 "We're saying this is the time to get in on the ground floor," says Mr Pena, optimistically, "because in five to seven years when the economy rebounds, it will be more expensive."

Jubilant crowds welcome Shuttle return to Earth

By Roderick Oram in New York

THE SPACE shuttle Discovery glided steeply out of the bright blue California sky yesterday morning, touching down smoothly on schedule in the Mojave Desert to end the first manned US space mission since the 1986 Challenger tragedy.
 Discovery rolled to a stop at Edwards Air Force base just as the military band, playing the national anthem, hit the phrase "the rockets red glare." The crowd, estimated at more than 200,000, roared with delight and relief at the safe return of the space craft.
 "Roger Discovery, welcome back," spacecraft communicator John Creighton told the crew from Mission Control. "A great ending to the new beginning."
 The near-perfect flight was an enormous relief to the nation and the National Aeronautics and Space Administration (Nasa) which has wrestled to correct its fundamental equipment and organisational shortcomings that caused the shuttle Challenger to explode, killing its seven crew, shortly after takeoff.
 US Vice President George Bush, the Republican candidate in the presidential election, made the most of this opportunity to associate himself with the shuttle's success. He was on hand to greet the crew.
 Space policy analysts warn, however, that one flight alone does not make a successful resumption of the US space programme. Nasa must prove its ability to manage regular and safe shuttle flights with the next planned for November. It must also better define its goals so it can overcome strong Congressional resistance to, for example, the funding of a space station.
 "Since its launch from Cape Canaveral last Thursday morning, Discovery had covered 1.7m miles in its four-day journey. Reflecting the painstaking attention to detail in its \$2.4bn refit - since Challenger exploded, the shuttle performed almost flawlessly. It suffered a few minor problems, some fixed in flight, but all fully covered by backup systems. For the five-man crew, all space veterans, the mission had been largely a test flight to check out the shuttle's long list of modifications."

Canadian Tories receive fresh Gallup poll boost

By David Owen in Toronto

CANADA'S Progressive Conservative party received a fresh fillip yesterday when a Gallup poll taken after Saturday's election call gave the party the support of 43 per cent of decided voters.
 This represents an improvement of 6 per cent since the last such poll and would be sufficient to win the party a comfortable majority in the general election on November 21.
 The Tory gains were almost entirely at the expense of the left-of-centre New Democratic Party (NDP), whose support fell from 27 to 22 per cent. Support for the second-placed Lib-

erals remained steady.
 Significantly, the poll also indicated that Mr Brian Mulroney, the Prime Minister, has narrowly overhauled the NDP's Mr Ed Broadbent as the most popular of the three mainstream party leaders.
 Mr Mulroney received the vote of 34 per cent of respondents, against 33 per cent for Mr Broadbent. Mr John Turner, the beleaguered Liberal party leader, continued to lag at just 12 per cent.
 No fewer than 59 per cent of those sampled pinpointed the still unratified US-Canada free trade agreement as the main issue of the election campaign.

Fresh delay on fuel economy rules in US

By Anatole Katotcky in New York

THE Reagan Administration yesterday announced a further postponement of the federal fuel economy standards which were first mandated by the US Congress after the energy crisis of 1973-74. The Transportation Department did, however, decide that fuel consumption would have to be marginally lower in 1989 than in 1988 models.
 The moves, which were widely expected, will allow US car manufacturers and importers to go on selling less fuel-efficient cars than was intended under the Corporate Average Fuel Economy (CAFE) legislation imposed in 1976.
 The legislation mandated a steady reduction in the average fuel consumption of each manufacturer's or importer's car fleet from the 15 miles per gallon which prevailed in 1975 to 27.5 mpg in the 1988 model year. Since mid-1985, however, the Transportation Department has rolled back the 27.5 mpg target to 26 mpg, responding to lobbying by GM and Ford, both of which would have faced heavy fines under the stricter standard.
 For the 1989 model year, which begins this month, the Transportation Department has decided to raise the CAFE standard to 26.5 mpg, still well below the target set in 1976, but tighter than the current standard. Under CAFE, companies which fail to meet these targets pay substantial penalties, which are roughly proportional to their degree of under-performance. The raising of the standard from 26 to 26.5 mpg in the 1989 model year will therefore lead to higher penalties being paid by some European luxury importers which have consistently failed to meet the CAFE standards.

Reinsurers face \$750m bill for Gilbert claims

REINSURERS will pay about \$750m to settle claims in Jamaica for damage caused by hurricane Gilbert there, says Mr Canute James reports from Kingston.
 Mr Dennis Lalor, managing director of ICWI, one of the island's leading insurers, said the reinsurers would make the payments over the next 12 months. "Local insurance companies will be required to meet only \$200m (US\$85m) of the payment from Gilbert," he said.
 Mr Lalor said local insurers would have to end resistance to suggestions from reinsurers that local premiums be increased. He said premium income for general insurance in Jamaica was US\$60.5m and that it would take about a decade to cover the payout by reinsurers.

Monthly inflation rate soars in Peru

PERU'S inflation rate in September soared to a record of 114.1 per cent, Veronica Baruffi reports from Lima.
 According to the National Statistics Institute, accumulated inflation reached 824.4 per cent for the first nine months of 1988 and 818 per cent for the last 12 months. The average monthly inflation rate this year is 24.6 per cent.

Nicaragua likely to unveil price rises

A NEW wave of price rises is expected in Nicaragua this week after a 44 per cent devaluation of the currency, the cordoba, at the weekend, Tim Coone reports from Managua.
 The adjustment takes the official exchange rate from 100 cordobas to the US dollar to 320 and will be reflected in the prices of most products including petrol and diesel.

US indicators point to slackening in growth

By Anthony Harris in Washington

THE pace of US economic expansion is slowing down, three economic indicators released yesterday suggest.
 A levelling-off of new orders for non-durable goods, a small fall in construction activity and the third successive monthly fall in the Purchasing Managers' Index, the most closely watched survey of industrial trends, all seem to show some flattening of the rate of growth.
 However, the new orders report showed that strong expansion persists in durable goods - led by motor vehicles, aircraft, machines tools and other production equipment - reflecting the continuing investment boom. The Purchasing Managers' survey also reported continuing growth in export orders, though at a slower pace than earlier.
 There was little response in financial markets where fears of overheating persist.
 The recovery in new orders from the sharp fall reported in July was entirely in durable goods, and the figures for the first eight months of 1988 show a similar, though less top-sided pattern.

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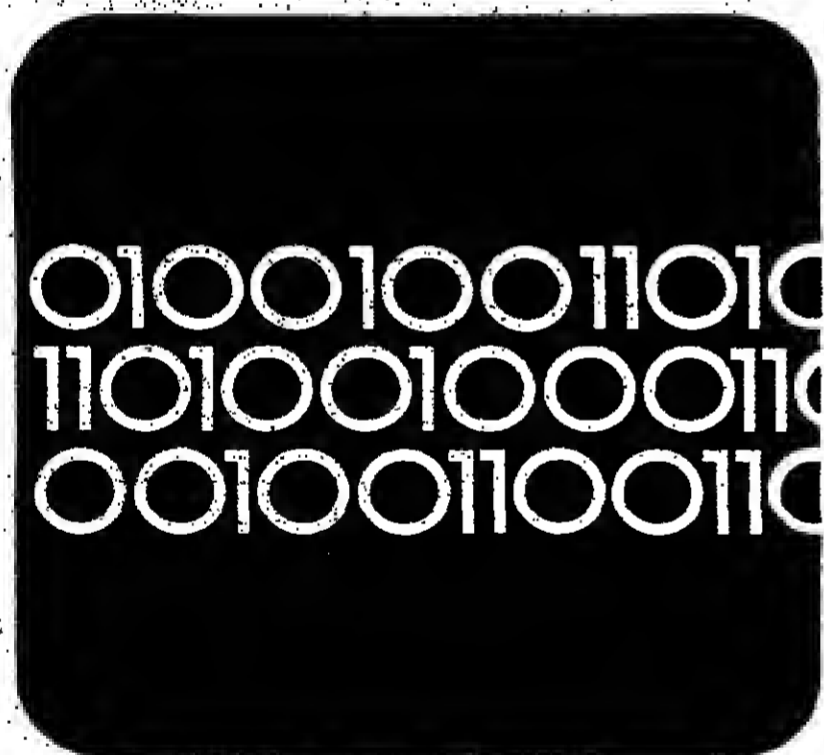
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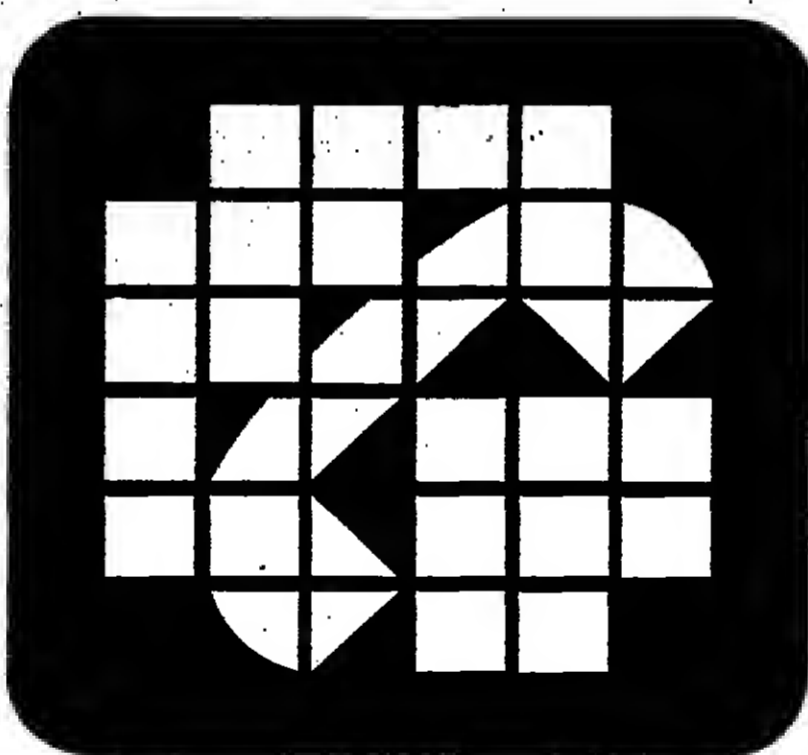
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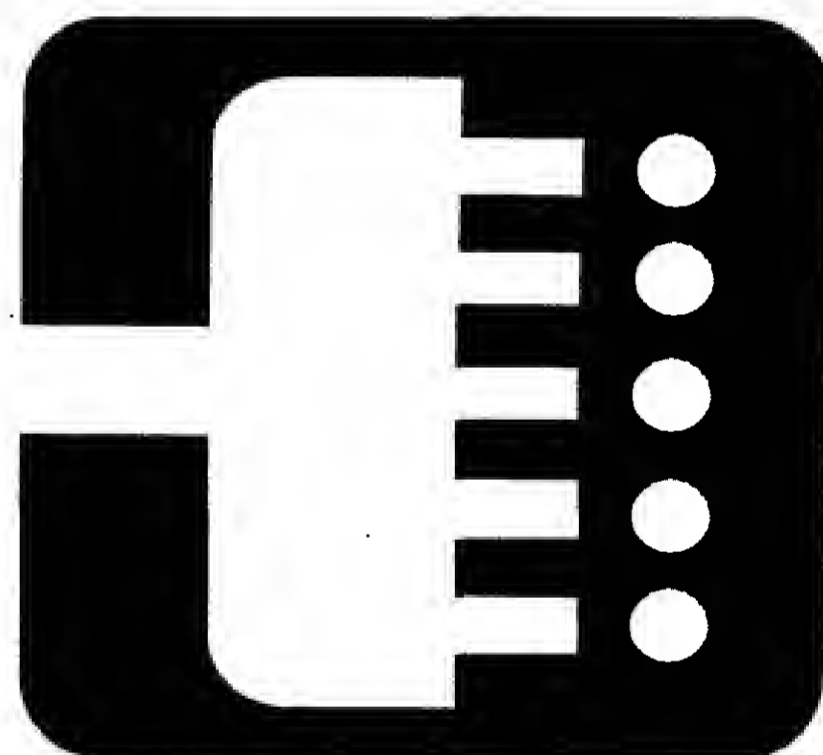
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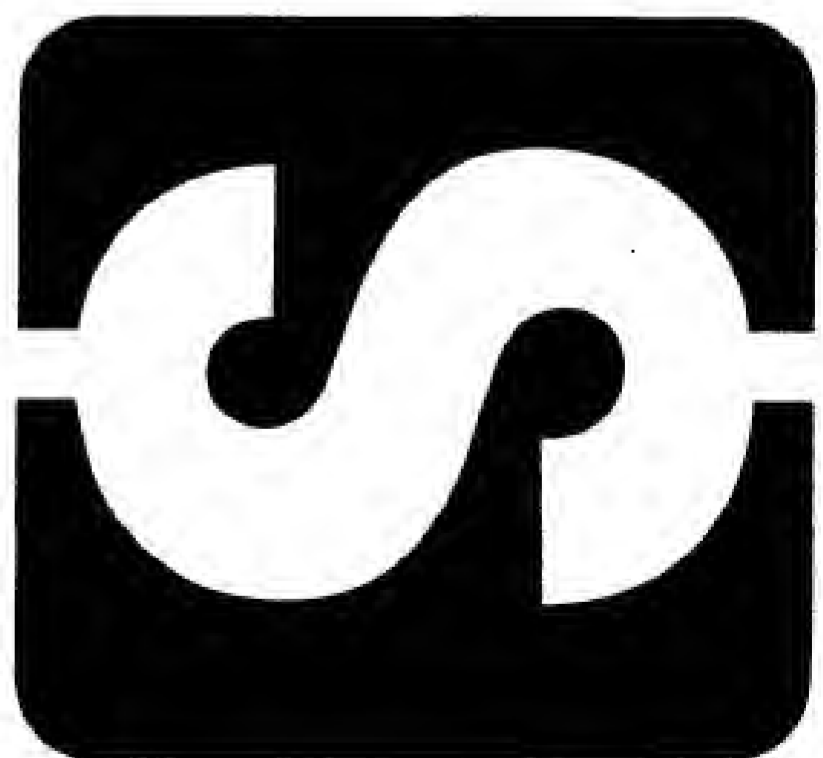
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OVERSEAS NEWS

Gandhi expected to discuss border issues in China

By K.K. Sharma in New Delhi

MR RAJIV GANDHI, India's Prime Minister, is to visit Peking in December for talks with Chinese leaders on bilateral issues, the most important of which is expected to be the Sino-Indian border dispute over which the two countries fought a bloody war in 1962.

The visit will be the first by an Indian Prime Minister for 24 years, the last time being when Mr Gandhi's grandfather, the late Mr Jawaharlal Nehru, went in 1954. Soon afterwards relations were soured by the dispute over where the Sino-Indian border should be drawn through the Himalayas. Officials of both countries have failed to agree even on the basis of the settlement of the contentious issue. After the border war of 1962, India claimed that China had gained illegal possession of more than 14,000 square miles of Indian territory in northern Kashmir. China also claims the north-eastern Indian state of Arunachal Pradesh, formerly known as the North-East Frontier Agency, and registered a strong protest when India granted statehood to it a couple of years ago. The Chinese have long sought to improve relations and a standing invitation to the Prime Minister has been in existence since it was first offered to Mrs Indira Gandhi more than a decade ago. When the last round of bilateral talks

was held between officials last year Mr Gandhi sent a private message indicating he would now like to accept the offer. An official Indian delegation, led by Mr P.S. Menon, India's Foreign Secretary, left for China yesterday to settle the details. Mr Gandhi will take the level of negotiations on the border issue and other aspects of Sino-Indian relations to the political level - something China has sought without success for many years. So far, eight rounds of official level talks have been held on the boundary and other bilateral issues since formal contacts between the two countries were resumed in 1981.

Over the years, China has said that the two countries should set aside the border issue and concentrate on improving other aspects of bilateral relations. India has always resisted, arguing that unless the central issue is settled improvement of relations is not possible. Concrete proposals for a settlement of the issue have never been discussed but Peking indicated some years ago that it would accept a "package deal" under which China would be allowed to keep territory it held in northern Kashmir in return to giving up claims to Arunachal Pradesh. However, the Chinese stance has changed in the last couple of years and they now argue that settlement of the Arunachal issue is of greater importance. This has surprised the Indians, particularly as Chinese troops withdrew unilaterally from what was then known as Naga after the 1962 border war.

Mr Gandhi's visit is unlikely to lead to an early settlement of a dispute that has lasted more than four decades punctuated with a brief period of Hindi-Chinbhat (Indians and Chinese are brothers) between the Mr Nehru and Chou en-Lai, the then Chinese prime minister, in the mid-1950s.

Mr Gandhi's initiative is being closely watched by his political opponents in India and he is under pressure not to make territorial concessions.



Musa: on the attack

Musa rejoins opposition to Malaysian PM

By Wong Sulong in Kuala Lumpur

DATUK Musa Hitam, the former Malaysian deputy prime minister, has announced he is to rejoin the Malay opposition led by Tengku Razaleigh, reviving the powerful partnership that nearly toppled Dr Mahathir Mohamad, the Prime Minister, at party polls last year.

His decision comes amid increasing signs that a number of opposition parties are forging a grand alliance to challenge Dr Mahathir's coalition government in the next general election.

With Datuk Musa joining Tengku Razaleigh, the number of Malay MPs from the now defunct United Malays National Organisation (UMNO), who have declared themselves as independents,

total 16. Another three or four are likely to join later. Tengku Razaleigh hopes to form a loose co-operation pact with the Chinese-based Democratic Action Party, and the Party Islam, which would give the opposition group more than 40 seats in the 177 member parliament.

While Dr Mahathir is under no immediate threat, and he need not call a general election for another three years, all is not well within his coalition government of 13 parties.

Dr Ling Liong Sik, Transport Minister and leader of the Malaysian Chinese Association, yesterday left the country for an unknown destination on six weeks' unpaid leave saying he needed time to reflect on the MCA's role in the govern-

ment. The MCA is the second biggest party in the government but has not been able to play the role expected of it by the 5m Chinese minority who have seen the steady erosion of their political and economic status in recent years.

A recent MCA survey showed that it could lose more than half of its 17 parliamentary seats in a general election. At the same time, several powerful Malay chief ministers are said to be withholding full support from the Prime Minister.

Datuk Musa, 55, resigned as Dr Mahathir's deputy in February 1986, citing "irreconcilable differences" with the Prime Minister. He teamed up with Tengku Razaleigh, a former trade and industry minister, in

April last year to challenge Dr Mahathir in the UMNO polls.

After Tengku Razaleigh narrowly lost his bid for the UMNO presidency, Datuk Musa drifted back to the Mahathir camp. After the demise of UMNO and the massive security crackdown last October in which 120 politicians and social activists were detained without trial, he felt that Dr Mahathir was in an unassailable position.

Recent events, however, forced Datuk Musa to reassess his position. The judicial crisis, resulting in the sacking of the country's top judge and the suspension of five supreme court judges, provided him with the right issue not to join Dr Mahathir's new UMNO party last May, and he stayed

on the sidelines.

In announcing his return to active politics, Datuk Musa said he had failed to get Dr Mahathir to accept all the dissidents back into new UMNO. In addition the recent Johore Baru by-election showed that Dr Mahathir is vulnerable. The Prime Minister's candidate was severely defeated by Mr Shahrir Samad, a former minister and a Musa-turned-Razaleigh supporter.

Dr Mahathir is taking the new challenge in his stride. His supporters are playing down the by-election defeat. The Prime Minister's defeat is the fastest improving Malaysian economy, and he hopes opposition will fizzle out by the time he calls a general election.

Manila tries to close the debt gap

Richard Gourlay reports as negotiations open in New York

WHEN Philippine finance chiefs meet with commercial creditors in New York today, they will do so in a markedly different atmosphere to that prevailing when they last asked for new money.

Their request in 1983 followed a balance of payments crisis and the declaration of a debt moratorium. Today they are asking for about \$1.5bn to help bridge an expected financing gap over the next two years, and for debt relief on \$14.5bn of unofficial loans. The Philippine economy is growing by nearly 7 per cent, compared with negative growth of 5 per cent in 1984, and the country can now meet payments on its \$29bn of debt, albeit painfully.

The meeting will take place amid growing international scepticism about the success of the plan launched three years ago by Mr James Baker, the US Treasury Secretary, which relies on new money and policy changes to allow countries to grow out of their debt. The plans which emerged from last week's meeting of bankers at the International Monetary Fund and World Bank in West Berlin were embryonic, but Japan has nominally taken up the cause of the debt-ridden nations.

A financing gap was looming for the Philippines even before creditors signed a \$13.2bn rescheduling package last

December. But since then, the country's gross international reserves have fallen more than expected, to \$1.6bn from \$2bn last December. This accelerated fall is largely caused by a recovery-induced worsening of the trade balance and a chronic inability to put to work committed but unused aid.

Mr Jose Fernandez, central bank governor, leads the team, supported by Mr Vicente Jayme, the Finance Secretary. They are expected to ask the 12 member creditor committee for:

- \$1.5bn-\$2bn of new money.
 - The rescheduling of about \$20bn of commercial debt not covered last year and falling due in 1990.
 - A lower interest spread on the \$14.5bn commercial debt outstanding as of April this year. The rate on \$11.3bn of medium term debt was lowered in the last agreement to London interbank offered rate plus 7/8 per cent.
- The team is also expected to explore the bankers' appetite for Mr Jayme's "creative" schemes, similar to the Mexican bonds-for-loans deal earlier this year - although the Philippines' shortage of reserves poses problems for a similar plan or similar debt relief measures.
- A rapid conclusion to the talks is unlikely, in the new international mood, some

bankers say, the Philippines may wish to see if a new US administration will take up the cudgels for indebted countries. Furthermore, precedents which might be followed by Latin American creditors are not likely to be set.

The bankers' opening shot before the talks was to question whether the Philippines actually needs new money, a view only partly supported by independent economists. They argue that the Government has a pool of over \$1bn of unused aid, set aside for projects which do not exist. They do not want to supplement Philippine reserves only to provide cash with which the Government can buy back its own debt at a discount.

They believe the Government could do more to encourage more foreign investment, for example by modifying the rule limiting non-Filipinos to 40 per cent of a company's equity.

They also say the country should conclude a new agreement with the IMF, following the drawdown in August of the last tranche of a standby facility. Philippine officials say the IMF has already provided the framework for an extended fund facility worth up to \$1.3bn over three years. Talks between the fund and Philippine officials will resume later this month but, like some commercial bankers, the IMF

wants to bridge a financing gap and not support a currency it believes is overvalued.

The 470 or so creditor banks do not enter the new money talks with one position. Smaller banks resent having to lend more when the new loan is immediately worth 47 per cent less, according to the section chief of a Manila-based Philippine bank.

Larger creditors, however, are watching the progress of a proposal put forward by nationalist Senator Alberto Romulo, who advocates limiting all debt payments to 10 per cent of foreign exchange earnings - or less than a quarter of what is needed to service debt. One substantial creditor said that, if Mr Fernandez and Mr Jayme do not bring home a good deal, pressure could build to place Mr Romulo on the negotiating team.

President Aquino has repeatedly said that the country will honour its debts. But some bankers recognise that they could lose out if the Philippines is not met halfway. Nationalists already trumpet that "bad" behaviour has allowed Bolivia to buy back nearly half its bank debt at less than 15 cents on the dollar, while the Philippines, which meets most bank and IMF demands for policy changes, continues to pay a fifth of the budget towards foreign commercial debt service.

Aquino lobbies to postpone local poll

PHILIPPINE President Corason Aquino met two senators yesterday and lobbied for the postponement of village elections in November in anticipation of possible communist rebel violence, AP reports from Manila.

The meeting came three days after a senior palace official said that Mrs Aquino failed to convince Senate leaders to drop their objection to delaying elections for barangay [village] posts from November 14 to next May.

On Friday, Mr Catalino Macaraig, presidential Executive Secretary, said that the administration had given up trying to change the senators' minds.

But after a meeting with Mrs

Aquino, Sen Edgardo Angara and Sen Mamintal Tamano said that they were in "complete agreement" after hearing the president's explanation.

Mrs Aquino has asked Congress to postpone the elections to tackle communist control of some 20 per cent of the country more than 40,000 barangays and municipal districts.

Mr Ramon Mitra, Speaker of the House of Representatives who accompanied the two officials, said that senators affiliated with the new pro-Aquino Struggle of the Democratic Filipino party would discuss Mrs Aquino's proposal. Several political commentators claim the postponement was designed to give time for the new party to ensure victory.

Taiwan chemical protest

ABOUT 50 villagers yesterday began a seven-day hunger strike at the Taiwan Economic Affairs Ministry to protest against a government plan to build a third chemical plant in their area, AP reports from Taipei.

They claimed their village, Houjinn near the southern tip of Taiwan, has been polluted by two naphtha plants built more than 20 years ago and they want the Government to solve the pollution problem before allowing the state-run

Chinese Petroleum Corporation to build a third plant.

The Environmental Protection Administration approved last month a plan to construct the third plant, and the Economic Affairs Ministry is expected to act on the recommendation later this year.

The protesters camped outside the ministry and protest leader Mr Liu Yung-ling said a group of environmentalists and college students would join the hunger strike later this week.



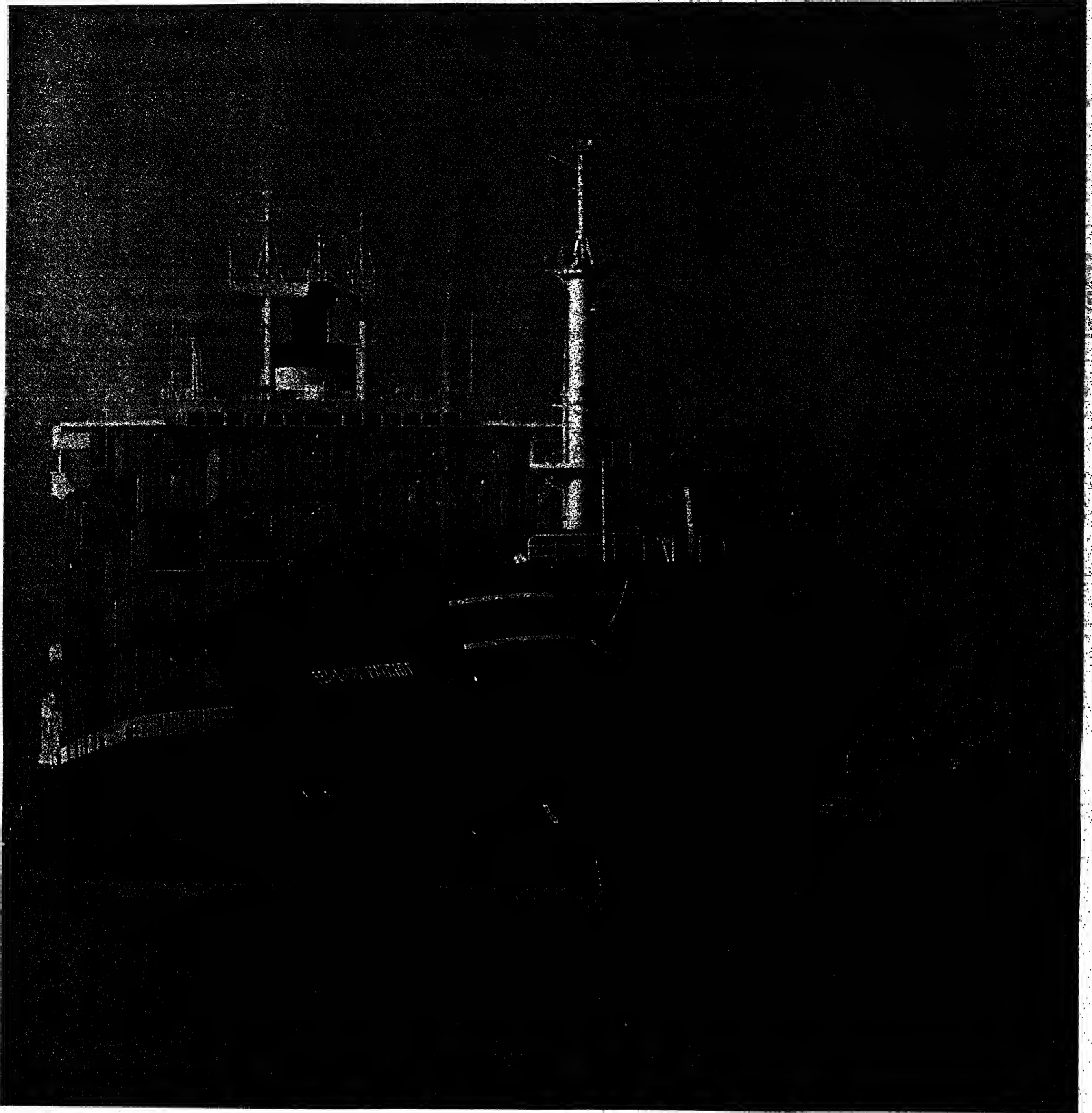
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WORLD TRADE NEWS

US in move to end Uruguay Round impasse

By Christine Lamb in Islamabad

THE European Community was caught off guard at a conference of trade ministers in Islamabad yesterday when the US declared openly that it was prepared to discuss short-term measures on agriculture reform as a means of unblocking the current impasse in the Uruguay Round of multilateral trade liberalisation talks.

Until now, the US has focused on long-term elimination of farm subsidies and resisted plans for short-term reform. This has been resisted by the EC on the grounds that the US proposals are too radical.

Ministers said the EC delegation was "wounded and visibly shocked" by the apparent shift in US policy, which they claimed would increase pressure on Europe to make counter-concessions on long-term farm reform at the ministerial meeting of the General Agreement on Tariffs and Trade in Montreal in December.

Mr Clayton Yeutter, US Trade Representative, told the meeting the US was prepared to regard proposals put forward by the 14-member Cairns group of "non-aligned" farming nations as the basis for future discussion.

This would mean freezing subsidies, a percentage reduction on aggregate levels of support, and movement towards improved access, although there were elements in the Cairns proposals which the US could not accept.

Mr Michael Duffy, Australian Trade Minister, who led the discussions, said: "At last there seems general consensus that specific measures on agriculture must be included in Montreal or the whole Gatt process risks being stalled. The US should be commended for this positive step."

Mr Arthur Dunkel, Director-General of Gatt, added: "In every negotiation there comes a time when people must step out of their positions. The US has taken a step which has forced others to react."

Mr Willy de Clercq, EC Trade Commissioner, said: "It is unrealistic to think that all support on agriculture could be abolished. Subsidies should be reduced, not abolished. We did not accept this in Islamabad and we will not in Montreal."

Citing efforts to cut Europe's food mountains through price controls and fixing of a ceiling on spending, he commented: "We've said we need urgent short-term measures and we're the only ones who have taken such measures. The rest of the world should follow."

Mr Yeutter was disappointed with this response. "The EC are still thinking small on the issue. The world needs something more than modest reform."

As the meeting drew to a close, Mr Yeutter returned to the offensive with a proposal that as a gesture of goodwill, developed countries should all agree to open up completely their markets to products from the poorest nations.

"There should be total elimination of all barriers, quotas and tariffs for the least developed countries," he said.

McDonnell wins Swiss aircraft contract

By William Dufforce in Geneva

MCDONNELL DOUGLAS, the US manufacturer, has won a SF30bn (\$1.2bn) contract to equip the Swiss air force with 34 of its F/A-18 Hornet combat aircraft.

Mr Arnold Koller, Defence Minister, announced yesterday that the federal government had given its preference to the F/A 18 over General Dynamics' cheaper F-16 Falcon.

The competition for the Swiss order was reduced to these two aircraft in March, when the Swiss air force discarded France's Dassault Mirage 2000 and the Saab JAS39 Gripen of Sweden from its short list.

Although the F/A-18 was 15 per cent more expensive than the F-16, it could be integrated into the Swiss air defence system with only minor adaptations, Mr Koller said. The F-16 would have needed substantial changes.

Competitive testing of the two fighters in Switzerland over five weeks in April and May had shown that the F/A-18 possessed the better armaments system, Mr Koller said. The McDonnell Douglas fighter is equipped with Sparrow AIM-7M air-to-air missiles.

The order for the combat aircraft was announced the day after the Swiss government reported it had secured landing rights for Swissair, the national airline, at an additional US airport, Switzerland had linked the landing rights with the purchase of aircraft for its air force.

The SF30bn fighter contract provides for 100 per cent offset purchases from Swiss companies by the US manufacturing group.

Poles may relax investment rules

Hopes that rules for foreign investment in Poland will be further liberalised have been raised by the last-minute withdrawal for re-drafting of projected legislation, Christopher Bobinski reports from Warsaw.

A new draft law seeks to reduce a foreign company's income tax from 50 to 40 per cent.

Egypt looks to Europe's power

Tony Walker on schemes to diversify the nation's electricity supply

MR Mohammed Maher Abaza, Egypt's Electricity Minister, is not a man to think small. His latest dream is to connect Egypt with the power grids of Europe through west Africa and Turkey.

He has already commissioned a study by Electricité de France into the feasibility of linking Egypt and Jordan with each other's power systems to share respective surpluses. The scheme would involve running a submarine cable across the Gulf of Aqaba.

An allied project under consideration is to join the Egyptian and Saudi Arabian power grids. The Saudis have agreed to a feasibility study but they caution that further development of remote northern Saudi Arabia is not a priority at this stage.

Mr Abaza, undaunted by the sceptics, has also been talking about linking Egypt with Algeria and Morocco through Sudan, the Central African Republic and Zaire. The idea being eventually to allow Egypt and African states in between to tap into European power supplies through Spain and Gibraltar. An alternative is for Egypt to be connected to Europe through Jordan, Syria and Turkey.

The theorising about poss-

ible alternative power sources is partly attributable to alarm in the Egyptian Government recently when it became clear that persistent drought in Egypt's African hinterland was threatening hydropower supplies from the country's Aswan High Dam - source of 22 per cent of its generating capacity.

The alarm prompted Egypt to embark on an emergency programme to increase generating capacity in the expectation of a shortfall. It established a special fund of \$200m from its limited hard currency resources to bring on line as quickly as possible additional power supplies.

The Nile water scare may prove to have been a benefit to Egypt if the fears of an electricity shortage persuade policymakers to allocate the necessary resources to help the country overcome a chronic deficiency in power generating capacity. Mr Emad el Sharkawi, chairman of Egypt's Electricity Authority, said that even though demand was slowing - the rate of increase in demand is expected to drop this year to about 7.5 per cent compared with 10.5 per cent last year - capacity fell short of requirements.

He estimated that present peak demand was about 6,000 megawatts against installed



Mr Abaza: ambitious plans

capacity of 6,250 MW, but production was well short of this figure because of the drop in the waters of the Aswan High Dam and maintenance requirements. While Mr Sharkawi noted that the worst was over - the Aswan High Dam at September 1 reached 159.5 metres above sea level compared with a low of 151.6 in July - he said Egypt could not afford to slacken efforts to boost its power generating capacity.

It would be surprising if there was not some frustration in the Ministry of Electricity at the Government's reluctance to agree to the demands of international lending institutions to increase energy prices to world parity over seven

years as a means of attracting additional funding.

The World Bank and the United States Agency for International Development (USAID) are pressing Egypt to raise prices by 30-40 per cent immediately. At present, the average cost of heavily-subsidised electricity to consumers is three piastres per kilowatt hour (about one cent) compared with production, marketing and distribution costs of 13 piastres per kWh.

The World Bank is delaying disbursement of some \$250m in structural assistance loans. USAID is withholding about \$330m in funds for power projects to be distributed over three years. Both institutions say they will not release the money until Egypt agrees to institute significant price increases.

In the meantime, Egypt is pressing ahead with an ambitious construction and refurbishment programme that is planned to add 4,000-6,000 MW to generating capacity by the mid to late 1990s.

Mr Sharkawi forecast an average annual increase in energy demand in the last quarter of this century of 11 per cent and indicated this would continue to exert tremendous pressures on Egypt's electricity resources.

UK boosts share of exports to Kenya

By Julian Ozanne in Nairobi

A BREAKTHROUGH in supplies of telecommunications equipment is spearheading a British advance in the market share of Kenya's imports.

According to the latest figures released by the High Commission in Nairobi, UK exports to Kenya for the period ending June topped £101m - an increase of more than 20 per cent over the same period last year.

Between 1985 and 1987, the value of UK goods imported into Kenya increased from £160m to £199m - a rise in the share of the market from 13.7 to 17 per cent.

More than half the total exports are in telecommunications equipment and machinery.

Last month, GEC Plessey Telecommunications won a \$18m contract to supply 16 System X digital telephone exchanges to Kenya Posts and Telecommunications Corporation.

High Commission officials predict British exports to Kenya could top £240m this year.

Price of newsprint set to rise round the world

By Maggie Urry

THE price of newsprint seems set to rise further around the world until 1990 when increases in production capacity come through.

Last month, Ahitibi-Price, the largest newsprint maker in Canada, announced it would put prices up by 6.9 per cent from January 1. Other North American producers followed suit.

Although resistance from customers is likely to mean a delay in the price rise becoming effective, there is little doubt it will go through by spring.

In Europe, newsprint makers are still considering whether to put prices up as well, though it is likely there will be increases next year, perhaps in early spring. Buyers usually get three months' notice of a rise, and the Newspaper Publishers Association in the UK has not been informed that prices will

be going up.

Mr Heikki Rantanen, newsprint sales director at Finnapp, the selling group for the Finnish paper industry, says he expects prices in Europe will go up moderately, but that the decision had not been made yet.

Mr Martin Sverker-Löf, president of Svenska Cellulosa (SCA), the major Swedish newsprint maker, believes it will be possible to pass cost increases on to buyers with a price rise next year.

The last price increase in the UK was put through from January 1 this year, with some time-lag, when prices rose by £25 to £425 a tonne for standard paper. In Europe, price increases, implemented around the same time, were more modest.

Consumption has been rising in the UK, largely because many newspapers have

increased the numbers of pages in each issue. In the first half of 1988, consumption in the UK has risen by about 7 per cent, well above the average growth rate of about 2.5 per cent a year.

Demand had been strong in North America, with the Olympic Games and the Presidential

Customer resistance may mean delay in price rises becoming effective, but there is little doubt they will go through by spring

elections helping. Newsprint makers still find a ready market for the paper at home. This makes for strong profits - Jefferson Smurfit recently showed an 80 per cent rise in profits in its US newsprint business. But there have recently been

signs of a weakening trend in North America, largely because of a downturn in advertising. With the US dollar weak, there is an increasing incentive to push exports of newsprint to Europe, the traditional destination for excess North American paper when domestic conditions are less good, or to the Far East and South America.

Statistics from the American Paper Institute show a 2.5 per cent rise in newsprint exports in August over the same month a year ago.

North American producers have a significant cost advantage against many European makers. In the past, the arrival of newsprint from North America has disrupted the market in Europe.

While the dollar was firm, the Scandinavians, who export much of their newsprint production to the more densely

populated areas of Europe, were able to regain their market position. If exports from North America rise again, Scandinavian producers could be under pressure.

Three new newsprint mills are proposed in France, each with Nordic involvement.

SCA is working with Cellulose du Pin to build a newsprint machine in Tartas, Bordeaux. Mr Martin-Löf says the French mill will be "very competitive compared to Canadian and Scandinavian cost structures."

United Paper Mills, of Finland, which owns the Shotton Paper mill in North Wales, plans to start up a machine near Strasbourg.

If consumption continues strong, there should not be too much difficulty when the new machines start up. But the rise in prices next year could be the last for a while.

Moscow seeks to open trade bank in India

By K.K. Sharma in New Delhi

THE SOVIET UNION has asked the Indian Government to let it open three branches of its foreign trade bank in New Delhi, Bombay and Calcutta to facilitate trade between the two countries.

A Soviet delegation said the Indian Government's response had been favourable.

The bank would initially finance trade deals in roubles but expects to provide hard currency loans and finance purchases of components needed from Western countries.

India and the Soviet Union aim to increase trade 250 per cent in the next five years.

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UK NEWS

THE LABOUR PARTY IN BLACKPOOL

Leaders strongly backed on public ownership issue

By Peter Riddell Political Editor in Blackpool

THE LABOUR leadership yesterday won overwhelming approval from its party conference in Blackpool for a flexible approach to public ownership...



Neil Kinnock in reflective mood

Mr Neil Kinnock, the party leader, will this afternoon make his keynote address secure in the backing of the conference for a new statement of democratic socialist aims...

However, the mood of the conference has been mixed. Supporters of the hard-left, defeated in Sunday's leadership election, have repeatedly attacked Mr Kinnock and his allies over the policy review.

A substantial minority of dissenting hands, mainly from local constituency delegates were yesterday raised on every vote, even though the leadership won comfortably with the support of most leading trade unions' block votes.

On the key policy document, The Productive and Competitive Economy, the conference rejected calls for renationalisation of all industries and services which have been privatised since Mrs Margaret Thatcher took power in 1979.

workers. He said he had not joined the Labour Party "for a yuppieish approach to run capitalism better than the Tories".

Most trade unions, however, backed the view of Mr John Edmonds, general secretary of the GMB general union, who urged "a new model of social ownership" delivering guaranteed high standards of service.

The leadership accepts that market forces and competition are necessary but need to be controlled. Mr Bryan Gould, the party's trade and industry spokesman and main advocate of policy modernisation, said that the market was too narrow, too fragmented, and too short-term.

Kinnock keeps grip on party policymakers

By Michael Cassell

MR NEIL KINNOCK, the Labour leader, last night retained a firm grip on his ruling National Executive Committee, despite a marginal shift in favour of the party's left.

His dominance of the NEC was underlined by the election of Mr Robin Cook, the party's health spokesman and the Labour leader's campaign manager during the recent leadership contest and in 1983.

There was also considerable relief within the Kinnock camp at the re-election, by a narrow margin, of Mr Bryan Gould, the trade and industry spokesman, whose position had been threatened by widespread criticism of his proposals for updating Labour party policy.

Mr Gould received the lowest qualifying vote in the NEC constituency section.

The election of Mr Tom Burdison, northern regional secretary of the GMB general union, will provide Mr Kinnock with a new and influential union ally. He is strongly opposed to the left.

The main casualty within the constituency division of the NEC was Mr Michael Mescher, the party's employment spokesman, whose defeat largely reflects his failure to maintain a high profile on employment issues.

Ms Anne Davis, and Ms Rense Short also lost their seats. They are replaced by Mrs Margaret Beckett, the left-wing MP for Derby South who usually backs the Kinnock leadership on policy matters, and Ms Chare Short, the MP for Birmingham Ladywood.

Demand for credit hits record, but retail sales steady

By Ralph Atkins, Economics Staff

BRITISH consumers' demand for credit jumped to record levels in August but there was no increase in the volume of retail sales, according to official figures yesterday.

The Department of Trade and Industry said the amount outstanding on consumer credit agreements increased by £538m to £25.9bn after adjustment for normal seasonal variations. That compared with an increase of £298m in July.

The figures suggest that the rise in base interest rates, from 7.5 to 12 per cent since the end of May has so far had little impact on consumers' appetites for borrowing.

Separate figures for retail sales show a levelling-off during August - with volumes unchanged compared with the previous month after seasonal adjustment. But they follow a big rise of 2.4 per cent in July and the yearling growth rate remains strong.

The level of sales in the three months June to August was 2 per cent higher than the previous three months and 6.25 per cent higher than the corresponding three months a year before.

Provisional figures released last month for August showed a 0.5 per cent rise.

The strong growth of retail sales and the buoyancy of credit business continues to unsettle financial markets. London analysts are looking for signs of a slowdown in coming months which could ease upward pressure on interest rates.

Yesterday's figures hardly affected share prices. The FT-SE 100 share index closed 23.9 down at 1,802.6 - largely

because of share price falls in New York and oil price movements.

Mr Kevin Gardiner, economist at Warburg Securities, said: "To get people convinced of a slowdown in the economy, I think you would have to see a fairly steep fall in retail sales."

The Treasury said the figures referred to August, before the most recent rises in the cost of borrowing would have affected consumers' spending behaviour.

It said the bulk of personal borrowing is accounted for by mortgages, for which there are signs of a slowdown in recent months.

The credit figures cover bank credit cards and agreements with retailers, building societies, finance houses and other credit providers. They do not include mortgages.

The figures suggest no let up in the recent rapid rate of expansion, although the DTI said that it would be wrong to draw conclusions on the underlying growth rate from one month's figures.

In the three months to August, the amount of credit outstanding increased by £1.3bn, compared with £1.1bn in the previous three months.

New credit advanced to consumers, before taking account of repayments, hit a record £4.2bn in August. That compared with £3.3bn in July.

The DTI said that the figures reflected the strength of retail sales and the knock-on effect of buoyant car sales in August. The DTI said the value of retail sales in August was 10 per cent higher than in the corresponding month a year before.

Lloyds extends bank hours

By David Lascales, Banking Editor

LLOYDS BANK is to lead the way to longer full service opening hours among Britain's banks.

In what it claimed was the first major extension of banking hours in 19 years, Lloyds announced yesterday that all its branches will stay open one hour longer - from 9.30am to 4.30pm, starting on October 17.

The move, which appeared

to catch the other banks by surprise, also drew a sharp response from the Banking, Insurance and Finance Union (Bifu) which said it had not been consulted about the changes and was seeking urgent talks about them.

Lloyds' move applies to all its 2,200 branches, and covers the full range of normal banking services. Only the daily cut-off time for account entries

of 3.30pm (3pm in the City of London) remains unchanged.

Although competitive pressures have been forcing the clearing banks to re-evaluate their opening hours, the timing of Lloyds' move found the other Big Four retail banks off guard yesterday. Some of them are, however, expected to follow Lloyds soon, although they may not extend hours at all their branches.

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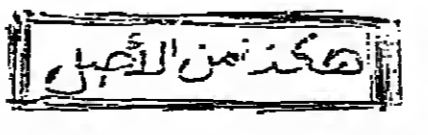
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Soviets seek joint body on ecology with UK

By David Thomas, Education Correspondent, in Moscow THE SOVIET Union wants to set up a joint Soviet-UK research institute on ecological problems in a move designed substantially to increase Anglo-Soviet scientific co-operation.

Industrial nations face blame for climatic changes

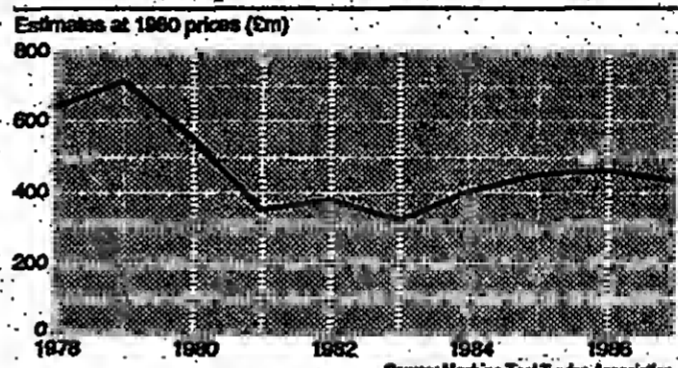
Countries urged to reduce burning of coal for power

By Maurice Samuelson INDUSTRIALISED countries were yesterday urged to cut coal consumption in order to minimise overheating of the earth's atmosphere.

Britain trails neighbours in machine tools demand Nick Garnett looks at a manufacturing barometer

BRITISH manufacturing industry registered the most severe decline in the consumption of machine tools among the main European countries during the early 1980s and recovery in the past few years has been by far the most feeble.

UK Consumption of Machine Tools



measured in their own currencies, more than doubled; in West Germany it almost doubled. Spain recorded the fastest growth, reflecting the country's increasing industrialisation and the strength of its motor industry in particular.

More funds sought for science

By David Fishlock, Science Editor BRITISH scientists need at least a further £25m a year to support fully their programme in core science, according to the Science and Engineering Research Council.

Advertisement for 'OPTION TRADER' featuring a calculator and text: 'Your only option - the new Option Calculator!'

Advertisement for 'GT INVEST' with the headline 'GT offers you information without aggravation.' and a coupon for a newsletter.

Advertisement for 'WALL STREET JOURNAL/EUROPE' with the headline 'FOR A BUSINESS PAPER THAT CLOSES AFTER NEW YORK, OPEN THE WALL STREET JOURNAL/EUROPE.'

Advertisement for 'JUST DESKS' with the headline 'PERIOD AND REPRODUCTION OFFICE BOARDROOM AND STUDY FURNITURE'.



Sime Darby Berhad NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Tenth Annual General Meeting of Sime Darby Berhad will be held at the Ballroom Anteroom, Kuala Lumpur Hilton, Jalan Sultan Ismail, 50718 Kuala Lumpur, Malaysia on Saturday, 29th October 1988 at 11.30 a.m. for the following purposes:-

- To receive and adopt the Directors' Report and the Accounts for the year ended 30th June 1988 and the Auditors' Report thereon (Resolution 1)
To declare a final dividend for the year ended 30th June 1988 (Resolution 2)
To elect the following Directors:- Anand Panyarachun (Resolution 3) Dr Chan Chin Cheung (Resolution 4) Tan Sri Nasruddin bin Mohamed (Resolution 5)
To re-appoint Price Waterhouse as auditors of the Company and to authorise the Directors to fix their remuneration (Resolution 7)

SPECIAL BUSINESS To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:- "That, in accordance with Section 132E of the Companies Act, 1965, authority be and is hereby given to the Directors of the Company or any person connected with such Directors to enter into arrangements or transactions with the Company or its related corporations whereby such Directors or connected persons may acquire from or dispose to the Company or its related corporations motor vehicles, heavy equipment, houses or any other products of the Company or its related corporations provided that such acquisition or disposal are on commercial terms." (Resolution 8)

Kuala Lumpur 4th October 1988 By Order of the Board Mohamed Haji Said Secretary

Large advertisement for Plymouth with the headline 'Looking to re-locate? Plymouth's connections move products and people fast.' and an illustration of a city with a train and a ship.

UK NEWS

In Brief Suppliers of vaccine set for major sales boost

SUPPLIERS of vaccines hope to gain a £5m-a-year boost from today as a result of new health regulations, writes Peter Marsh. The rule change is expected to encourage more parents to immunise their children against common and sometimes dangerous illnesses. From today, mumps and rubella (German measles) become notifiable diseases - which should enable the Health Department to monitor them more. At the same time the department will encourage the use of triple-shot vaccines. Smith Kline & French Laboratories, the US pharmaceutical company, has already launched its Belgian-made triple-shot vaccine in the UK. It has sold the Health Department 1m doses, worth roughly £4m. Other companies, including Merck of the US, Merieux of France and Britain's Wellcome and Evans Medical, are expected to make their own versions of the vaccines available within the next few months.

BR extends line sale British Rail has given potential purchasers of the historic Strathclyde railway in north-west England an extra month to prepare bids. If successful the 71-mile line privatisation will be the first on the British mainland. Lazard Brothers, the merchant bank handling the sale, said the extension would give would-be buyers more time. The Government announced the sale in May.

Japan's record gift DAIWA Securities, Japan's second largest securities house, has set aside £10m for the establishment of an educational trust to further understanding between Japan and the UK. Activities could include sponsorship of courses, conferences, lectures, plays, films and the award of scholarships.

Secretaries move up The Fellowship of Skilled Secretaries was launched yesterday with the aim of establishing professional status for the secretary. It aims to provide its members with information, advice and training designed to help them improve their career prospects.

New ombudsman Dr Julian Farrand, currently a Law Commissioner, is to be the next Insurance Ombudsman in succession to Mr James Haswell, who retires from the post at the end of next January. The Bureau provides an independent service for disputes between member insurance companies and the public.

Saatchi expands Saatchi & Saatchi set out to capture a major share of the £70m European business communications market with the establishment in the UK of Saatchi & Saatchi Business Communications. It plans to extend operations to Milan and Amsterdam by the end of the year. The network already includes Stockholm, Paris, Geneva and Frankfurt.

Alcohol campaign Brewers are to spend £15m promoting low-alcohol and alcohol-free beers as part of a campaign to curb drink-driving and under-age drinking. Sales of low-alcohol and alcohol-free beers top 500,000 bottles and cans a day and are expected to double in a year.

East End fillip A £500,000 package of public and private sector support for small businesses in London's East End has been announced. The money has come from Morgan Grenfell, a merchant bank, to mark its 150th anniversary, and from the government's Spitalfields Task Force and the London City Action Team.

Less factory space Less factory and warehouse space in England and Wales is available than at any time since 1980. The total of premises available for purchase or lease is half that on the market in 1983, when industry felt the full effects of recession. The figures, from a survey undertaken once every four months by King and Co, chartered surveyors, bear out the relatively optimistic portrayals of UK industrial activity from the Confederation of British Industry.

STOREBRAND UNIT TRUST MORTGAGE INTEREST RATE With effect from the 1st October 1988, the following interest rate will apply for existing and new unit trust mortgages 12.95%

Ford UK top of European profit growth league

FORD UK is the company with the fastest profit growth in Europe, according to a list of Europe's top 100 companies published in Director magazine yesterday. The Ford profit increase of 190 per cent pushed it 14 places up the rankings on last year - the first time the magazine carried out the exercise - making it Europe's 51st largest company. The UK has six companies in the top 10 in the profit growth league. These include British Petroleum, the Electricity Council, Allied Lyons, Hanson and the Dees Corporation (now Gateway), the food group. Hanson, the UK conglomerate, is the highest climber in the Director European 100 chart, which lists companies on the size of their turnover, based mainly on 1987 returns. It jumped from 69th place in the list to 36th, on the strength of its acquisitions of Imperial Group, SCM and Kaiser Cement. West Germany remains the strongest member of the country index, with 31 companies on the list, followed by Britain with 24 and France with 21. The other nine European Community countries account for the remaining 24.

Table with 3 columns: Company Name, Sales growth (%), Year. Includes G&S, Hanson, British Aerospace, etc.

Volvo adds 100 jobs at Scottish plant

VOLVO'S UK truck-making subsidiary has added 100 jobs at its assembly plant at Irvine, near Glasgow, to lift its annual output rate to 4,500 vehicles from 2,900. Productivity has increased from nine trucks per man-year to 16 as a result of £1.5m investment to expand the plant, which is already working at its new capacity level, according to Mr Bernd Brandtzeag, managing director of Volvo Trucks (GB). Speaking at a drive-off ceremony for the first of a recently unveiled heavy truck range being built at the Scottish plant, Mr Brandtzeag said the plant was on target to produce its 20,000th truck at the turn of the year. Volvo came to Irvine in 1974.

The Irvine workforce stands at 370 after the capacity increase, which is being achieved on a single shift. Volvo is also competing for a military truck contract which it estimates could add up to another 120 jobs if its tender were successful. This is for a four-tonne payload truck for the UK armed forces, entailing the supply of up to 6,000 units in the first three years. However, Volvo accepts that its entry, the Highlander, is facing stiff competition from rivals such as AWD, formerly Bedford. Irvine is primarily an assembly plant. UK content of the vehicles averages 40 per cent if the plant's overheads are included and between 25 and 30 per cent measured by components only.

Mitsubishi and NEI in deal on gas turbines

NORTHERN Engineering Industries, the power station equipment maker and general engineering group has agreed a trading deal with Mitsubishi to market the Japanese company's gas turbines. This arrangement is one of several NEI has entered into this year with separate companies within the Mitsubishi group in both power engineering and railway equipment. The Newcastle-based company makes only steam turbines and not the gas turbines suitable for smaller combined cycle power stations, which look to have a bright future. NEI will import the shell of the Mitsubishi gas turbine and add its own controls and its own generators, in any contract it secures for these smaller stations. The increasing web of links between NEI and Mitsubishi, which is trying to get a manufacturing foothold in Europe, has prompted some industry analysts to suggest that NEI is becoming a licensee producer of Japanese products, to the detriment of its own technology. Mr Terry Harrison, NEI's chairman and chief executive strongly denied this yesterday. He said recent joint deals with Mitsubishi, and with Combustion Engineering of the US, were designed to strengthen NEI's technological base and marketing opportunities. NEI has signed two deals with Mitsubishi Electric (Muelco). One involves NEI manufacturing under licence Mitsubishi mid-range switchgear in the 130KV to 245 KV range. The other involves the setting up of a 50-50 joint venture company, NEI Mitsubishi Electric Traction. This will manufacture in the UK some types of Mitsubishi traction equipment, including electric motors for light railways and auxiliary power supplies for railway coaches. The British company recently won a tender order for Hong Kong in a consortium lead by Mitsubishi Heavy Industries. NEI this year sold 35 per cent of its Derby-based international boiler-making business to Combustion Engineering for £13m. Mr Harrison said yesterday that the deal with Combustion Engineering, for which NEI has been a long time licensee manufacturer, gave NEI extra project capability and strengthened its technological link with the US company. The deals with Mitsubishi helped take NEI into new product and market areas. This included traction equipment which NEI had tried for some time to get into. NEI already makes electric motors but only for industrial applications. The marketing of Mitsubishi gas turbines would allow NEI to compete for contracts for small power stations, Mr Harrison said.

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the CB German Index Fund represents some 85% of the market capitalization and close to 90% of the stock exchange turnover of the 60 shares included in the index. The Manager - CB German Index Fund Management Company S.A., Luxembourg, manages the fund, develops its overall investment strategy, and handles its day-to-day administration. The Investment Adviser - Commerz International Capital Management GmbH (CICM), a Frankfurt-based Commerzbank subsidiary specializing in the application of quantitative models of portfolio management, acts as the fund's adviser. The Custodian Bank - The custodian bank for the fund is Commerzbank International S.A., a Commerzbank subsidiary registered in Luxembourg.

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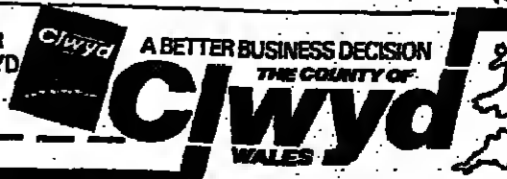
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TECHNOLOGY

ICL oils the wheels with help from a vehicle of progress

Clive Cookson explains how the UK's largest computer manufacturing company has brought about a dramatic improvement in productivity



An AGV passes the Apollo line at ICL's Ashton plant

Computer factories are rarely showcases of computerised manufacturing. They are less suitable for ambitious factory automation projects than, say, car assembly plants or large paper mills, because computerised lines work best for the production of large amounts of cheap products. Computers are the opposite - expensive, frequently modified and manufactured in relatively small volumes.

In automating the flow of materials around a factory can produce spectacular improvements in efficiency. Since 1985 the company has spent £2.2m introducing flexible manufacturing systems (FMS) to its Ashton-under-Lyne factory in Greater Manchester, which produces mainframe and minicomputers worth £200m a year.

Unmanned electric trolleys, known as automated guided vehicles (AGVs), carry boxes of parts, sub-assemblies and completed units between the stores, assembly benches, inspection and testing stations. Everything is marked with an individual bar code which is scanned automatically as it moves around to enable the

factory computers to keep track of all the materials. In the early 1980s, the Ashton plant was scorned throughout the industry for its low productivity and poor staff morale. It is now a showcase both of computerised manufacturing and of modern management techniques. Since 1985, output per employee has doubled and other measurements of efficiency, such as stock turnover, have improved dramatically.

Because materials now represent 85 per cent of Ashton's manufacturing costs, the factory has been organised on the "just in time" principle, so that materials arrive at each cell when they are needed and inventories are kept at the lowest possible level. Ashton has a computer controlled "cascade" of flexible manufacturing cells. The flow is determined by the speed at which orders from customers remove finished computers from the final test/despatch cell. This pulls in materials from earlier cells.

ICL managers use a variety of "key measures" to assess their manufacturing. For example, the Ashton factory turned over its stock five times in 1985, 12 times in 1987 and expects to achieve 20 times next year. Direct labour now accounts for less than three per cent of the factory's costs. Similar computerisation programmes are under way at ICL's other two UK factories -

in Staffordshire for printed circuit boards and Hertfordshire, for visual display units and workstations. "ICL's total inventory has been reduced from £220m to £130m in three years and we plan to cut out a further £30m over the next two years," says Rod Powell, the manufacturing director. He claims that service to customers is also improving. ICL takes an average of two to three weeks to supply a computer system after receiving a firm order, while its seven main competitors take between eight and 12 weeks, according to a recent study carried out for the company by IDC, an independent consultancy. The proportion of ICL com-

puters delivered on time has increased from 60 per cent in 1985 to 90 per cent this year, he says, and the hardware is becoming more reliable and requires fewer visits from maintenance engineers. Visitors to Ashton who remember the factory during the crisis period of the early 1980s say that the change in management attitudes has been as striking as the automation. Managers pursue ICL's official Quality Improvement Process with Japanese-style slogans (Right First Time is a favourite) and campaigns. For example, on September 9, Zero Defect Day, all 500 Ashton employees signed a pledge to reduce the number of defects in their work. This is

Sweet sound of flexible manufacturing

ASHTON'S first flexible manufacturing system (FMS), known as Mercury, was installed in 1985 to build and test some of ICL's Series 39 mainframe computers. It is centred on a robotic crane, which runs between two rows of racks 4m high, 3m wide and 70m long. Computers are assembled on one side of the line and tested on the other. The crane feeds components to the assembly stations and transfers completed cabinets to the test cells.

Two larger AGVs (measuring 2x1 x 0.8m x 0.8m and able to carry loads up to 300kg) carry raw materials and sub-assemblies to the Mercury line and take away fully tested computers. They glide round the factory at one metre per second, playing 1940s big band dance music to warn people to keep out of their way. The small AGVs travel at only half a metre per second emitting a feeble electronic warning sound. The noise is so unobtrusive that a journalist visiting Ashton recently failed to notice an AGV heading for him until it collided with his leg. Fortunately the vehicle's safety system ensured that he was only startled and not injured.

An ultrasonic sensor in front of the AGV slows it down as it approaches an obstruction, and its rubber bumper contains optical films which distort when there is a collision and signal the motor to stop. A few seconds after the journalist resumed his march the AGV's path, it whirled off to collect his next box of parts.

The AGVs are guided by radio-frequency communication from wires buried under the oatmeal-coloured linoleum which covers the factory floor. Their control systems are made by Munich by NDC, another Swedish company. "The NDC system is the closest we have to an industrial standard for AGVs," says Stefan Karlsson of Munich - 15 other AGV manufacturers use NDC controls.

More significantly, a proper career structure and training programme has been introduced. The average number of days devoted to training off the job has risen from a paltry 1.2 days in 1985 to 6.4 days per head this year and a target of 8.5 days in 1990. ICL plans to spend a further £4.2m over the next two years extending Ashton's automated materials handling system. But Powell says robots will not take over the detailed assembly work in the foreseeable future. "Even the Japanese mainframe manufacturers have not identified opportunities for robotics."



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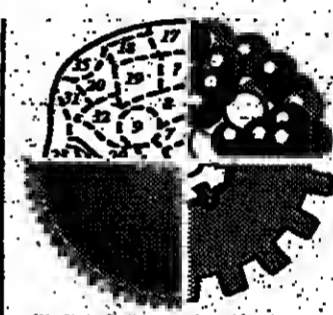
A concrete improvement

A METHOD used in Sweden for laying concrete floors, in which some of the water is removed after laying, is to be promoted elsewhere in Europe, particularly in the south where conventional methods predominate. It is claimed the floors are cheaper to lay and last three or four times as long. Tremb, of Skärholmen, says the technique increases the strength of the concrete by 50 per cent and that it can be walked on immediately. In addition, after one week the load bearing strength is said to be the same as that of a conventional floor after four weeks. Heavy factory equipment, such as cranes, can be installed at an earlier stage.

A water mix then used can be laid, making the operation easier. Then a big rectangular suction mat is positioned on the surface and connected to a vacuum pump. Suction is applied for about 15 minutes for each centimetre of concrete thickness and 20 to 25 per cent of the water is removed. Another advantage, explains Tremb, is that the treatment produces a lower and more even water content, which tends to equalise the compressive strength throughout the thickness. Normally, concrete sets with uneven compressive strength through its depth, with the weakest layers near the surface. The company expects a production capacity of between 300 and 400 sq m of finished flooring per eight-hour shift, with a five-man work team and all the necessary equipment.

Greenhouses for the Arctic

BAYER, the West German chemical group, is co-operating with Gosagroprom, the Soviet Union's agricultural agency, in trials with special greenhouses which could make it possible to grow two vegetable crops a year inside the Arctic circle. Four fully equipped pilot greenhouses have been erected on sites near Moscow, Leningrad, Murmansk and Sochi. To keep the heat in, they are constructed with Bayer's twin wall sheets of Makrolon



WORTH WATCHING

Edited by Geoffrey Charlish

polycarbonate. These double glazing units are made by a co-extrusion process, in which the two sheets are simultaneously extruded and joined.

Heating costs are reduced to 50 per cent at conventional glazing, says Bayer. The sheeting also weighs less compared with glass and is shatter-resistant.

In addition, a proprietary anti-condensation coating from another West German company, Rohm, on the inside surface, is said to allow in more light.

Speeding up the data rate

PHILIPS, at Eindhoven in The Netherlands, is about to start production of a new telecommunications fibre which, the company says, can double the amount of information that can be transmitted compared with existing single mode fibre. When digitised information is sent down a fibre as a series of short light pulses, an optical property of the glass, called dispersion, stretches each pulse. This limits the number that can be sent per second and so restricts the data flow. The new Philips fibre is called "dispersion flattened single mode" (DFSM) and produces much less dispersion over a wider spectrum. Previously, low dispersion was obtainable only at or near one specific wavelength (colour). The new fibre can accommodate two of the commonly used laser wavelengths at the same time. The company believes the fibre will also allow cheaper laser light sources to be used, because the wavelength of the light they produce do not have to be

so well defined. In production, thousands of separate layers are deposited on the inside of a silica "pre-form" tube in an accurately controlled way. A powerful microwave generator, acting as a mobile oven, passes back and forth along the length of the tube, which contains components of silicon and other elements. These form a plasma (very hot gas cloud) inside the tube, from which the air has been removed. With each passage of the generator, a new layer of glass is added. In this way, the properties of the glass can be accurately controlled, giving the required dispersion characteristics. The finished fibre is heated, collapsed into a roll and pulled out into a fibre.

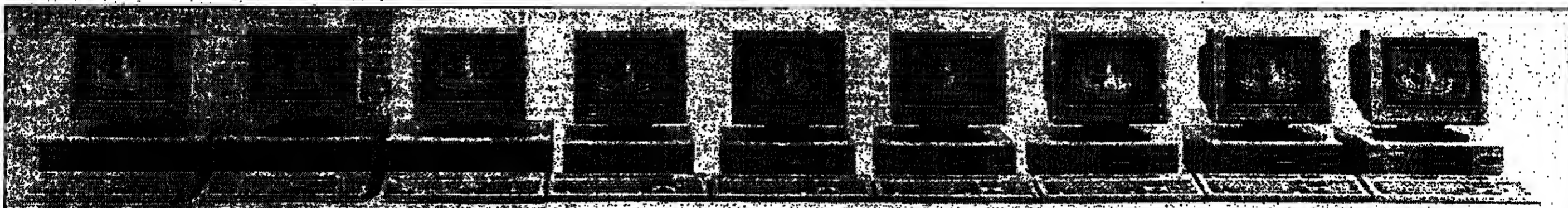
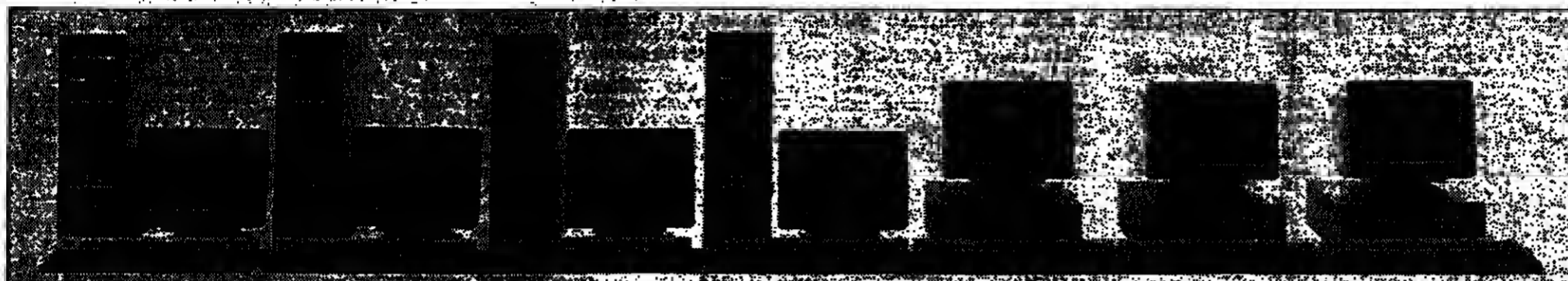
Gliding the crockery

FOR PORCELAIN decoration, the West German process and materials company, Degussa, has developed a bright gold preparation which can be fired at higher temperatures than present materials, producing patterns which are more resistant to abrasion and dish washer detergents. The Frankfurt company says that until now it has been impossible to produce bright gold layers at temperatures above the melting point of gold (1063 deg C). The new preparation is fired for about an hour at 1160 to 1180 deg C and the resulting bond between the gold and porcelain glaze beneath it is as strong as with Degussa's normal glazed colours. Called GG 81710, the process means that hard crockery, used everyday, can be decorated with gold that will not deteriorate more quickly than the colours. For porcelain manufacturers, the new process has the advantage that gold and coloured decor can be combined successfully in a single firing. Degussa says it has investigated and confirmed the qualities of the new process with a computer controlled firing of the Riedhammer and Coudray porcelain companies. CONTACTS: Tremb, Sweden, 8 0719; Bayer, UK office, 025 3000; Philips, The Netherlands, 07978; Degussa, West Germany, 09 216 2201.

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MANAGEMENT: Small Business

Kate Malone spent seven years at Bristol Polytechnic and London's Royal College of Art training to be a ceramics designer. In all that time, she says, only a few hours were spent learning the business skills she now needs to develop the studio she runs under a railway arch in south London.



Anne Purdus

Kate Malone: less than half her time can be spent creatively

The art of business

Crafts students develop particularly commercial skills - but are taught little about selling them, reports Charles Batchelor

Malone's experience is typical of many of the thousands of students who leave Britain's colleges of arts, design and crafts each year. They go into a highly competitive market with minimal business skills and frequently struggle to establish themselves. "Design-based businesses have good potential for success," says John Crowe, a consultant in design management. "Designers tend to be highly motivated and to have a good idea of a product. They won't employ many people but they can have quite an impact on industries such as textiles."

The visual impact of their work means there is a good chance they will be featured in the glossy magazines and newspapers. This exposes their work to a wider audience than many more humdrum small businesses could hope to reach. But set alongside these bonuses is a considerable number of obstacles. Many artists and designers echo Kate Malone's complaint about the lack of business training in college. While their creative training make them ideally equipped to set up on their own, business skills are taught sporadically, if at all, and the students themselves see little purpose in acquiring them.

specialised courses. The London Enterprise Agency runs a 14-week Design Enterprise Programme to teach small business management to arts and design graduates. The Wales Craft Council earlier this year launched a Craft Initiative to provide business advice and information while the Welsh Development Agency is building a small number of workshops for design-based businesses.

Raw materials costs are also high for the young design business and it is increasingly difficult to buy small quantities, says John Crowe. Textile designers are unable to buy small amounts of dyes but have to pay £200 for five-kilo drums. "Art and design students do not have a propensity to do things in a complicated way because they get interested in the process," says Crowe. "They must simplify things."

A brickbat for the banks

By Charles Batchelor

Further criticism of the way the big banks treat their small business customers emerges in a recently published report entitled Clearing Banks: Do they earn their keep? The report, included in What to Buy for Business magazine follows a critical review of banking services to small businesses published last month by the Forum of Private Business.

"Somewhere along the line, banks seem to have confused the provision of a service with the provision of a favour," the report says. "The result is that the customer often gets treated in a way which would be totally unacceptable in any normal business relationship."

Many felt branch managers needed better training though others noted an improvement. Another positive note was that managers seemed to be listening with their customers more effectively. A number reported visits from their bank manager to discuss their business and sort out problems.

Call for national advice network

The Association of Independent Businesses has called for the creation of a nationwide network of business advice bureaux to bring together the existing, competing sources of small business advice.

the report's authors maintain that the special schemes that have already been launched have not been effective. It calls for ethnic minority businessmen to be more closely integrated into the business community; they should join general business lobby groups rather than set up parallel organisations of their own.

invented an entryphone system, a reverse gear for a motorbike and a method of breeding rag worms for anglers. A total of £4,500 in prize money is on offer. Contact Adrian Black, Tate & Lyle, Sugar Quay, Lower Thames Street, London EC3. Tel 01 496 6625.

Prize students

An original and commercially viable business idea could win a student or group of students (including sixth-formers) a first prize of £2,000 in the fourth annual Innovation for Business Award.

Euro needs

A one-day conference focusing on the needs and problems of small and medium sized firms trading in Europe will be held at the Humberstone Business School, Hull on Thursday, October 13.

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ARTS

An irresistible embarras de richesses

William Packer visits the Pushkin Museum, Moscow, and the Hermitage in Leningrad

Any journalist is likely to find himself sent to all sorts of interesting places...

fills two small rooms with modest yet first-rate examples. Three Rembrandt portraits in a row...

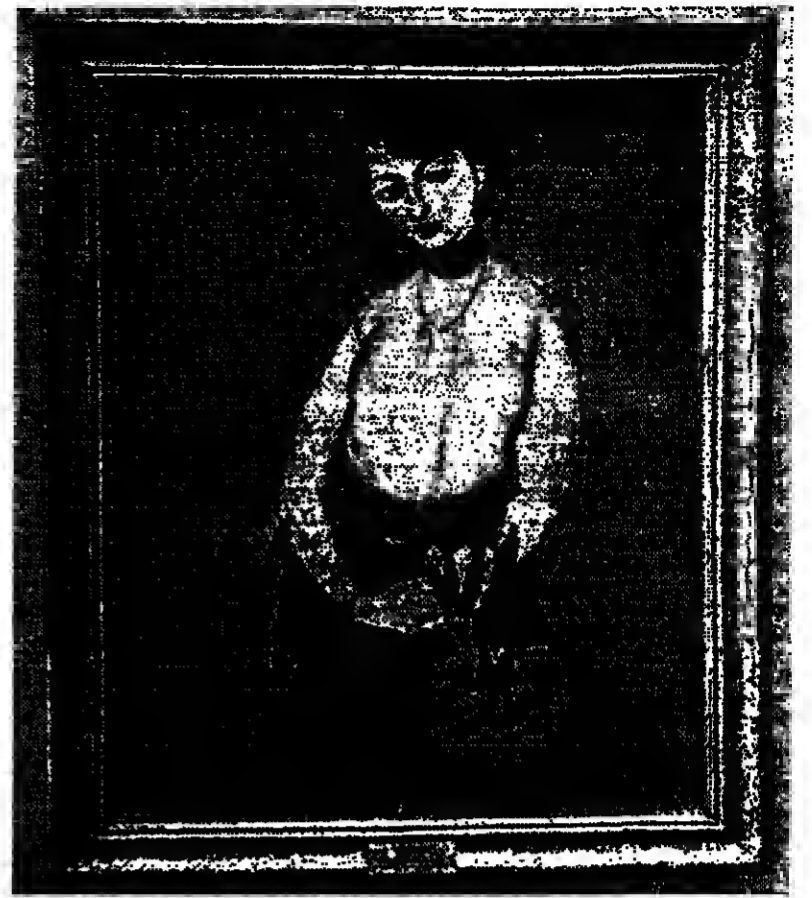
Upstairs are the French 18th and 19th century collections...

shown in London through the summer. The Hermitage in Leningrad sits at the opposite extreme...

Monet and Cezanne are as strongly represented as at the Pushkin, and Degas more so...

Downstairs again, the problem with the old master collections is where to begin...

Just as poignantly revealing were three Georgian TV-productions...



'Girl with tulips' by Matisse, 1910, at the Hermitage

'George Sand' European première in Madrid

Clement Crisp reviews Vicente Nebrada's new work for the National Ballet of Caracas

The wheel has come full circle - or perhaps has not revolved at all. The nineteenth century taste for big ballets is still dominant...

flaring affairs with de Musset and Chopin, is one dimensional. There is no trace of the distinguished writer...

It is greatly to Trinidad Sevillano's credit that she gives such warmth and physical allure to Sand. Nebrada has

Trinidad Sevillano

made a striking role whose simple and fluid style Miss Sevillano shapes with that technically luscious manner...

may in part be due to the fact that a second guest artist, Koen Nebrada, is as a composer...

The design by Rafael Reyro is an imaginative permanent set of two archways that can happily become Nohant, or Paris or Mallorca...

is not a happy arrangement and if the ballet is to gain further international identity, adjustment is essential.

Perhaps most significant of all, the Georgians (supported in their endeavour by Gostelradio in Moscow) made no bones whatsoever about the nature of the festival.

Ronald Holloway reports on the first Golden Fleece TV-Film Festival on the Black Sea

Aboard the good ship Gruzuya

At the very moment when a Channel Four production, Mick Jackson's three-part serial A Very British Coup was being officially awarded the Grand Prix in the Feature Films section...

In this regard, however, even the most sceptical critics believe it will be at least three years before any need for state funding might surface.

Among the awarded TV-productions of and about the Soviet Union, some were indeed extraordinary.

Among the awarded TV-productions of and about the Soviet Union, some were indeed extraordinary. Elizabeth Colwell's production, Leonard Burt Foster's (West German/Austria) was an ode on favourites from the start to win the top award in the Musical Films section.

way for mutual collaboration between East and West. For beginning on January 1 next year, all film and television studios in the Soviet Union are due to go on an economic self-financing and self-sufficiency system.

In this regard, however, even the most sceptical critics believe it will be at least three years before any need for state funding might surface.

Of course, the test of any international film and television festival is found in its main course rather than the desert. And the competition programme, although somewhat lacking in variety...

Among the awarded TV-productions of and about the Soviet Union, some were indeed extraordinary. Elizabeth Colwell's production, Leonard Burt Foster's (West German/Austria) was an ode on favourites from the start to win the top award in the Musical Films section.

Hagi Shein's Dance is a Wheelchair (Tallintelefilm Estonia) treated the plight of the disabled in a straightforward and compassionate manner...

Just as poignantly revealing were three Georgian TV-productions. I. Godeladze's My Gypsies, based on a story by Nodar Dumbadze, offers insights into a fading culture in this corner of eastern Europe...

Among the awarded TV-productions of and about the Soviet Union, some were indeed extraordinary. Elizabeth Colwell's production, Leonard Burt Foster's (West German/Austria) was an ode on favourites from the start to win the top award in the Musical Films section.

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Fidelio

FESTIVAL HALL

The concert performance of Fidelio by the London Philharmonic Orchestra on Saturday was a pendant to that of Leonore given by the same forces six evenings earlier.

In a way, the two performances have been geared, unintentionally no doubt, to showing Leonore in its very best light. That performance was conducted by Roger Norrington with speed, lightness, energy, and a wonderful conception.

But, while one supposes Masur's aim to have been the unimpeachable one of achieving seamless dramatic momentum, it was speed imposed on the opera from without.

Among the awarded TV-productions of and about the Soviet Union, some were indeed extraordinary. Elizabeth Colwell's production, Leonard Burt Foster's (West German/Austria) was an ode on favourites from the start to win the top award in the Musical Films section.

dialogue had been cut down to the barest minimum (or beyond), the conductor's obviously sincere determination to give us a bare-bones, no-frills account of the opera began to seem terribly ill-judged, if not actually crass.

Klaus König's Forestan has recently been heard at Covent Garden, and Peter Hall's 1979 Glyndebourne production was introduced to us by Kurt Appelgren's Rocco, Elizabeth Gale's Marzelline, and Ian Caley's Jaquino - all of them here encountered at a relative disadvantage.

Among the awarded TV-productions of and about the Soviet Union, some were indeed extraordinary. Elizabeth Colwell's production, Leonard Burt Foster's (West German/Austria) was an ode on favourites from the start to win the top award in the Musical Films section.

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Max Loppert

Chamber Orchestra of Europe

ELIZABETH HALL

Gidon Kremer's association with the Chamber Orchestra of Europe has been cemented over a series of residencies at the summer festival which Kremer organises at Lockenhaus in Austria.

The most familiar was, paradoxically, the most contemporary. Arvo Pärt's Fratres exists in several versions from chamber dimensions upwards and Kremer began with the most beguiling of them, in which a solo violin is set against strings and single wind.

Among the awarded TV-productions of and about the Soviet Union, some were indeed extraordinary. Elizabeth Colwell's production, Leonard Burt Foster's (West German/Austria) was an ode on favourites from the start to win the top award in the Musical Films section.

Kremer's own transcription for string orchestra of Chalkovsky's Third String Quartet was not as successful as one might have hoped. The work is heard too rarely in the concert hall, and anything that might increase its popularity would be worthwhile.

Another arrangement, a recently unearthed transcription for violin, apparently by Schumann, of his Cello Concerto was quite mysterious. The programme notes offered no details of the discovery nor of the provenance of the manuscript - was it really the composer's own work, and therefore made before he heard the cello version, which was not performed until four years after his death, or merely authorised by him?

The gains over the original are the expected ones of balance and brightness, especially when the solo lines is combined with upper wind, and the decrease of tonal weight is mitigated by transferring passages to the violin's G string. It is at best a curiosity, but anything that stretches Kremer's interpretative brilliance still further is a good thing; no other contemporary violinist would put together a programme like this, obtain such sparkling performances, and leave his unique mark on every aspect.

Andrew Clements

ARTS GUIDE

OPERA AND BALLET

London Royal Opera, Covent Garden: the long-awaited new staging of Wagner's Ring by Tury Lyubimov, conducted by Bernard Haitink...

David Pountney's unmitigated, increasing incursions into 19th century opera, relieved by Helen Field's very English but touching baritone and fine Verdi conductors...

Paris Opéra: Balthus conducted by Adin Lenzburg/Alain Guiral returns to the Palais Garnier after 18 years absence...

besely spiced by flashes of irony. The title role sung by Graham Pushee, Cleopatra by Felicity Lott (bookings 745537), information in London...

Vienna State Opera: In repertoire: Le Nozze di Figaro conducted by Franz Welser-Moest with Margaret Price, Sylvia McNair, Bernd Weigl, Heinz Zedlitz...

daily composed for the Berlin Opera by Marc Neikrug will have its world premiere this week. The cast is led by Angela Gheorghiu, William Devoyl, Wolfgang Trutwein and conducted by Arturo Paavola...

Hamburg Staatsoper: Der Barbier von Sevilla features James Hall, Yoko Kurokawa and Patrick Rahner. Der fliegende Holländer is resplendent with Mechthild Gessendorf, Siegfried Münzger, Robert Schmitz and Harald Stamm...

Cologne Opera: Tuzandlot has Olivia Sharp, outstanding in the title role with Eibert Mohler, Dieter Schwelk and Juan Lloveras. In other parts: Des Genliens, class, the first opera by Gerhard Knorzmann, received controversial reviews on its premiere...

Berlin Deutsche Oper: Los Alamos, sponsored by the British Council, is shown in London through the summer.

with a new cast led by Rosalind Flowering in the title role, Florence Quivar (Adalgisa) and Giorgio Merighi (Pollicino).

Milano Teatro Alla Scala: A co-production by the Ballet National de Marseille and the Berlin Deutsche Oper of Roland Petit's Ballet L'Ange Azzuro, based on the novel by Heinrich Mann...

Turin Teatro Regio: Last two operas of Wagner's ring cycle produced by Gianfranco de Bosio and designed by Attila Kovacs and Santuzza Celli...

Florence Teatro Comunale: Virginia

Pascher's production of Verdi's Simon Boccanegra conducted by Myung-whun Chung, with sets by Raffaele del Savio based on sketches of those used for the 1981 performances at La Scala...

New York Metropolitan Opera: The season opens with a repertoire including Julius Caesar, Il Trovatore, Das Rheingold and Lucia di Lammermoor...

Chicago Lyric Opera: Civic Opera House. Donato Renzetti conducts Miriam Gucci as Lisa and Frank Lopardo as Elvino in Sandro Sesti's production of La Sonnambula...

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FINANCIAL TIMES

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Tuesday October 4 1988

From here to infinity

AT LEAST the Pharoahs knew what the pyramids were for. But can the same really be said of the great army of scientists and administrators at the National Aeronautics and Space Administration (NASA) in relation to the space shuttle programme? The successful launch and return of Discovery was a magnificent technological achievement and a notable feat of bravery on the part of the astronauts. Yesterday's successful outcome also underpins the future of NASA, which has been in question since Challenger blew apart in the disastrous accident of 1986. Yet the wider purpose of it all remains curiously elusive.

There are, of course, scientific rewards to be had from the shuttle programme. The Discovery astronauts have conducted a handful of experiments, but few expect spectacular results. Nor is the shuttle regarded as ideal for scientific probes. Whether this is the best possible outlet for scarce scientific resources is questionable - especially when there are nagging doubts about the scale of risk involved in manned space flight in relation to rewards that would, in many cases, be obtainable from unmanned exploration.

Strategic arguments

Much the same goes for the strategic arguments. The Pentagon undoubtedly attaches considerable importance to a programme that will put a number of satellites for navigation and intelligence gathering into space. Yet much of this could perfectly well have been done by disposable rockets. The extent of technological overkill in the US space programme becomes apparent when comparisons are made with the Soviet Union. The Russians launch more rockets of much simpler design and capability. And they are reported to be able to launch surveillance satellites more quickly in response to specific events arising from regional conflict.

Public opinion

Surely not. For it is transparently clear that the whole American space programme is being run on the basis of a public opinion poll. The 1990s has been geared as much, or more, to keeping US public opinion on NASA's side as to genuine scientific merit. Heroics by the astronauts are the key to continued funding, yet the heroics are not necessary to achieve most of the scientific goals to which the American space programme is committed.

Why commodity pacts fail

THE successful conclusion at the weekend of talks between coffee producers and consumers is a reminder that international commodity agreements can still show a little life, even though many in the West would prefer to think them moribund. However, the International Coffee Organisation has done little more than buy time for its members, with its complicated export quotas intended to bring prices back to the agreed range of 120 to 140 cents per lb. The present International Coffee Agreement which sets export limits for all its members is due to expire next September. Since the two largest consumer members, the EC and the US, have said they will not accept a continuation of the present agreement, fundamental questions will need to be asked about the structure of the pact and indeed whether it is necessary at all.

Less controversial

The problem of finding a "correct" price for coffee is perhaps less controversial than for more economically vital substances, because coffee drinkers in the West may not mind paying a little more for their beverage if the extra goes to farmers in poorer countries. The fact that the coffee agreement is not associated with a buffer stock also means that producers have to carry all the cost of lost production needed to shore up the price. In the coffee market, like that for cocoa and even oil, price determination is greatly complicated by changing demand patterns for different grades. Coffee-consuming countries claimed something of a victory this weekend for increasing the supply of higher grade arabica beans which had become some 40 to 50 per cent more expensive than the less favoured robustas. However, this widening differential was the product of distortions created by the agreed quotas.

Tangle of politics

However, as a House of Lords select committee argued a decade ago, the theoretical difficulties are formidable, even without allowing for the tangles of politics and commercial rivalry. First, the system can only be sustained if the price range chosen is close to the equilibrium at which supply and demand would naturally balance in the medium term. Time and again commodity agreements have come apart from this anchoring principle.

ICI goes pink

Denys Henderson, the chairman of ICI, gave a lecture to the Society of the Chemical Industry in Berlin yesterday about how his company works and put special emphasis on selecting the right people. Apparently recruitment to the industry is now a serious problem because of what he called the "princely salaries" being offered to university graduates by the financial sector.

Guy de Jonquière reports on how US multinationals are preparing for 1992

Who will be the real winners in the race to exploit the European Community's single market? In Washington and Tokyo, suspicions are growing that the EC will rig the rules to suit the home players. But in Europe, equally strong fears are voiced that the biggest prizes will be snatched away by powerful American and Japanese competitors.

If muscle and knowledge of the terrain are important, the odds in favour of US multinational industrial companies look impressive. Many first crossed the Atlantic decades ago and have built up a spread of operations and depth of experience in European markets equalled by few of their local or Japanese rivals (see below).

Until only a year or so ago, many US multinationals were openly sceptical about the EC's single market programme. They believed either that it was unlikely to get anywhere, or that if it did, it would have only a very limited, technical, effect on their business.

Since then, a striking change in attitudes has occurred. Today, managers of many US industrial subsidiaries say European markets are being shaken by a chain reaction of upheavals. They also say they must rapidly reappraise their own corporate strategies - in some cases, wholesale.

What is happening out there is much more important than 1988 the date or the legislative programme. Says Mr Andrew Napier, head of government affairs at Ford of Europe: "The degree of business uncertainty is increasing dramatically in Europe. If we continued business as usual and waited for 1992 to help us, we would be overrun."



US manufacturing in Europe*

	Total manufacturing affiliates	Majority owned (50% plus)
Europe	\$235.2 bn	\$191.4 bn
EC	\$226.1 bn	\$184.6 bn
Europe	\$185.5 bn	\$148.4 bn
EC	\$177.8 bn	\$140.5 bn
Europe	1.98 m	1.41 m
EC	1.86 m	1.40 m
Imports from US to: Europe	\$10.6 bn	\$10.0 bn
EC	\$10.4 bn	\$9.8 bn
Exports to US from: Europe	\$6.9 bn	\$6.2 bn
EC	\$6.6 bn	\$5.9 bn

Waking up to the challenge

Pre-emptive realignment of prices across Europe would seem sensible. But some companies are worried that over-hasty action could cost them market share. Their analyses of geographic price variations are also revealing many unknowns about costs and markets. One US food company recently identified 40 different possible reasons why one of its products sold for more in West Germany than in Britain, but is still trying to decide which one is risk putting it at a competitive disadvantage.

A Common Market long free of internal tariffs and quotas underlines two broader points. One is that, in many industries, national markets have remained compartmentalised more because few companies have contested them vigorously from outside than because of actual frontier barriers. The other is that, even though US manufacturing companies have expanded more aggressively across Europe than their local competitors, most are still far from being completely pan-European.

Many have integrated their development, manufacturing and distribution operations by standardising products and rationalising facilities into large units enjoying economies of scale. This process has increasingly been spurred by worldwide corporate strategies imposed by the companies' US headquarters in response to global competitive pressures.

Euro American or American Euro?

Fifteen years from now it is quite possible that the world's third greatest industrial power, just after the US and Russia, will not be Europe, but American industry in Europe.

Much as they deny publicly the idea of a "Fortress Europe", US companies have increasingly lined up behind EC industry on trade issues. For example, demanding stiff dumping penalties on Far Eastern imports and mandatory local content rules on Japanese "screwdriver" plants in Europe.

Many of them believe it will be politically advisable to stress their European credentials still more in future. "Our efforts will have to become more visible. We'll have to do more research here and embark on more partnerships and share more technology with European companies," says Mr Roscoe of Honeywell.

Many US companies have been in Europe so long that they have sunk deep roots in local economies. European subsidiaries employ almost 2m people, and many do development work and procure most of their materials and components locally.

Yet, though they are often household names valued for their economic contributions, US companies are still not considered part of the family. The British Government's refusal to let Ford buy the BL car group in 1986 was a sharp reminder of this.

Mr Martin Kallen, chairman of the European arm of Monsanto, the chemicals company, is even blunter: "My viewpoint is that if you make sure you are 100 per cent self-sufficient within Europe, then how do you get hurt?"

Scientific cooking

Professor Nicholas Kurti, the Oxford physicist who sees the kitchen as a laboratory for adventurous experiments, has a unique book on cookery coming out this month. With his wife Gina, Kurti has edited an anthology of food and drink written entirely by Fellows of the Royal Society.

Arts next

After making a hit with her speech on matters green to the annual dinner of the Royal Society last week, Margaret Thatcher is now said to be turning her attention to the arts. The word is that she was very pleased to receive the Society's invitation because it gave her something to read in the summer. She wrote most of it herself, but did not expect it to be such a success: hence the lack of advance publicity.

ICI goes pink

Denys Henderson, the chairman of ICI, gave a lecture to the Society of the Chemical Industry in Berlin yesterday about how his company works and put special emphasis on selecting the right people.

Lewis moves on

Stephen Lewis's departure from US Philips and Drew brings to an end an era in the gilt-edged securities market. The mantle of the market's top analyst passed from Gordon Pepper, formerly of Greenwell's, to Lewis some time ago and there is no obvious candidate to assume it now.

Baker's tip

Kenneth Baker, the British Education Secretary, has taken his message about information technology to Moscow this week.

Not cricket

School test: "What is the annual publication that deals entirely with cricket?" Several pupils wrote: "Wicket's Almanac."

Photogenic

The National Portrait Gallery is currently holding an exhibition called by Women by Women. It is a small show consisting entirely of photographs of women taken by women photographers and there are only 13 altogether.

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INTERNATIONAL COMPANIES AND FINANCE

Brierley profits fall by 25% in its 'most difficult year yet'

By Dal Hayward in Wellington

BRIERLEY INVESTMENTS (BIL), the New Zealand-based flagship of Sir Ron Brierley's corporate empire, ended what he called "the most difficult year in the group's 27-year history" with net profits of NZ\$284.8m (US\$162.2m), down nearly a quarter from the previous NZ\$342.1m.

Although the result, hit by the October crash, represented the first annual setback for 20 years, BIL has been moving to streamline its financial structure and overcome losses on its portfolio holdings.

It sold several key investments during the year, leaving total assets at the June year-end at NZ\$11.3bn, down slightly from NZ\$11.5bn a year earlier. Sir Ron said that during the company's self-analysis during the year "we asked what are we trying to do that we can't achieve with nearly NZ\$12m assets."

Shedding some of these had significantly reduced the group's annual interest bill in absolute terms. The NZ\$450m interest charge was a key overhead cost and reflected the high New Zealand interest rates and the relatively high gearing level, particularly in Industrial Equity (IEL), the separately quoted Australian member of the group. Much of the interest bill related to the group's share portfolio, which has a market value of NZ\$4.7bn.

There had been a cautious

attitude to acquisitions during the year but now with the company's liquidity a more vigorous approach will be adopted.

In New Zealand, it is the Government's privatisation policy which BIL believes will provide the best opportunities for expansion.

Sir Ron was critical of a new tax regime introduced this year by the Labour Government. Although he suggested the laws could drive New Zealand companies offshore, Sir Ron indicated that BIL had no plans to reincorporate elsewhere. The group had benefited from deregulation, and he supported government efforts to resolve the country's long-term economic problems.

"Some people think we should just all go out to the airport one night and fly off somewhere else. It's not that simple," Sir Ron said.

He also indicated a cautious approach on a mooted merger of the New Zealand, Australian and Hong Kong arms.

A profit breakdown showed that NZ\$114.3m was generated in New Zealand, up from NZ\$95.8m. Of the remainder, NZ\$38.1m came from the UK compared with NZ\$42.7m, NZ\$207.7m from Australia (NZ\$45.3m against a NZ\$25.5m loss).

The dividend of 10 cents per share compares with 7.9 cents. BIL plans no equity issues this year.

Seibu Saison tees off for the world stage

Tony Jackson on the sale of the Inter-Continental hotel chain to a Japanese group

The sale by the UK's Grand Metropolitan of the Inter-Continental hotel chain to Seibu Saison of Tokyo may be interesting from the British viewpoint, but from the Japanese side it is remarkable.

At £1.35bn (\$2.25bn) the deal ranks among the largest overseas acquisitions mounted by a Japanese company, but more important, Seibu's initiative means the Japanese up-market consumer business is going international.



Old Course country club at St Andrews: bought by Seibu last year in a joint venture

Seibu, a private company with sales equivalent to \$5bn, has a spread of interests which puts even the sprawling GrandMet empire to shame. Its origins are in retailing, but it also - for instance - a leading helicopter operator, a banking and insurance group, and Japan's biggest producer of fertiliser.

Mainly, though, the company is in consumer goods and services, with a formidable up-market emphasis. Seibu has joint ventures in Japan with Yves Saint Laurent, Jaguar, Hermès, Liberty, and Club Méditerranée. It owns Japan's biggest department store, and the world's most expensive hotel, the Seiyo Ginza in Tokyo.

Mr Seiji Tsutsumi, its chairman, is on the board of Sotheby's and is a prize-winning novelist. His brother, Mr Yoshiaki Tsutsumi, was last year

reckoned by Forbes magazine to be the richest man in the world.

Much the biggest single part of the group is still retailing: department stores, superstores and convenience stores. The empire, founded by Mr Tsutsumi's father, Yasujiro, has a typically Japanese origin, that of buying and holding assets from the days before Japan's economic miracle.

Mr Yasujiro Tsutsumi was a prominent politician, a one-time Speaker of the Japanese Parliament, who in the years immediately after the war set about buying land from members of the nobility too impoverished to pay their taxes.

He then built a chain of department stores and a railway to bring people to them, and some Japanese-style hotels. When he died in 1964, Seiji got the stores, and Yoshiaki got the hotels and Seibu

Railway.

The two half-brothers - Yoshiaki is a son by his father's mistress - are portrayed by the popular press as bitter rivals. How far this colours their business operations is doubtful, but certainly the two empires are kept wholly separate.

Students of soap opera might therefore interpret the Inter-Continental deal as Seiji getting even with his kid brother. At present, he has only half a dozen hotels, whereas Yoshiaki's Prince Hotels chain numbered 56 at the last count, together with associated golf courses and ski slopes.

The snag in the theory is that the Inter-Continental purchase is obviously part of an established policy. For more than a year, Seibu Saison has been moving out from its Japanese base. The process has been tentative, and always

with overseas partners - an approach which would come naturally to a group used to joint ventures in its home market.

Thus, late last year Seibu set up a joint venture with the Rockefeller Group to buy the Old Course country club at St Andrews in Scotland, thus neatly tying in with the Japanese obsession with golf.

In July, it set up a venture with the Rosewood hotel group of the US to develop luxury hotels around the world. In August, it did a deal with a US partner to sell New York condominiums to Japanese investors.

With the Inter-Continental deal, the emphasis again seems to be on caution and co-operation. This is not a straight acquisition, but a leveraged buy-out financed by Japanese

banks, with the purchase price secured against Inter-Continental's assets.

Seibu will be the leading stakeholder, but not the only one. The other partners have yet to be identified, but they include foreign companies and at least one Japanese construction group.

As might be expected from a private Japanese company, Seibu is reluctant to talk about the deal in detail, and the thinking behind its new international policy can only be guessed at. However, Mr Seiji Tsutsumi recently provided a clue in referring to the need for "a new kind of international trading company that can combine Japanese marketing expertise with a knowledge of high-quality products available abroad."

It may therefore be significant that Seibu has also signed a co-operation agreement with Grand Met as part of the Inter-Continental deal. The two groups have several areas in common: restaurants and food manufacture, for instance, as well as hotels.

Besides that, though, GrandMet has one of the biggest and best-respected wines and spirits businesses in the world. Whether in consumer goods or consumer services, Seibu is poised to exercise its marketing muscle on a world stage.

Pick 'n Pay lifts income by a third

By Jim Jones in Johannesburg

PICK 'N PAY, the South African supermarket chain, lifted interim pre-tax profits by more than a third in the six months to August as trading margins responded to increased consumer spending on durables and semi-durables.

Turnover increased to R1.82bn (\$728.4m) from R1.40bn, trading profit before investment income rose to R44.8m from R33m and pre-tax profit was R47.2m against R35m.

Spending on durables began to rise strongly in the latter part of 1987 as consumers took advantage of low interest rates and ready availability of credit. The situation is changing following credit curbs and higher interest rates introduced by the Government to reduce the rate of growth of imports.

Pick 'n Pay's management does not comment on the new credit restrictions, but stores analysts believe retail margins are reducing.

The first half's net earnings increased to 31.4 cents a share from 23.3 cents, and the interim dividend has been lifted to 9 cents from 6.88 cents. The last year's total earnings were 67.1 cents, and the year's dividend was 32.88 cents.

James Capel to take over Singapore securities firm

By Our Financial Staff

JAMES CAPEL, the London stockbroker owned by Hong Kong and Shanghai Banking Corporation, is to expand its Singapore presence by taking over the operations of Kay Hian, a local securities firm.

As a first step, Capel has agreed to take a 30 per cent stake in Kay Hian. The deal, which is subject to approval by the Stock Exchange of Singapore, provides for a later increase in the stake "to over 49 per cent," the two sides said yesterday. No price was disclosed.

Capel's 30-strong Singapore office will be merged with the operations of Kay Hian, which has about 200 staff. This is intended to "create a fully integrated investment house which will take advantage of Kay Hian's strengths in the domestic market and James Capel's strengths in international institutional business and research."

Singapore's large domestic banks have dominated the securities industry in Singapore for the past few years after bailing out broking firms

in the wake of the 1985 collapse of Pan-Electric, previously a market high-flier.

Winfull Laing and Cruickshank, the Hong Kong stockbroker, is to be demerged into two separate units, as part of a restructuring following last November's acquisition by Credit Lyonnais of London-based Alexanders Laing and Cruickshank, writes Michael Murray in Hong Kong.

The first company, to be known as CL-Alexanders Laing and Cruickshank (HK), will specialise in institutional broking, private client fund management and corporate finance, and will be 85 per cent owned by Credit Lyonnais.

The second, Winfull (Securities), to be 85 per cent owned by Hong Kong's Woo family, will be primarily a retail brokerage.

Credit Lyonnais and the Woo family will each hold a minority stake in the other's company.

Alexanders Laing and Cruickshank set up its Hong Kong joint venture with the Woo family's Winfull brokerage in 1986.

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FINANCIAL TIMES

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INTERNATIONAL COMPANIES AND FINANCE

Tishman in further expansion in Europe

By Paul Chesseright in London

TISHMAN, the US property and construction conglomerate, is expanding its European interests through the formation of a joint venture with six UK companies to offer a property management service.

Ferruzzi plans to regroup assets of La Fondiaria

By Alan Friedman in Milan

A NUMBER of prime banking and financial services assets are to be removed from La Fondiaria, the Italian insurer which is controlled by Mr Raul Gardini's Ferruzzi group, and placed in a new holding company.

The new company, Fimedit, will also include some of the Ferruzzi's financial businesses that were recently transferred from Mediobanca.

It will be owned on a 50-50 basis by Ferruzzi Finanziaria, Mr Gardini's master holding concern, and Fondiaria, which Mr Gardini chairs and in

which he holds a 49.7 per cent equity stake. Fimedit will have total managed assets of L3,700bn (\$2.7bn).

Among the Fondiaria assets going into the new shell company is Fondiaria's 62 per cent control of Banca Mercantile Italiana. The new company will also have Meta's Agos mutual fund and financial services business along with fund management, leasing, factoring and consumer credit businesses.

The Florence-based Fondiaria said its consolidated group premium income in the first six months of this year rose 10.9 per cent to L1,083bn.

HBG tries to buy Volker stake

By David Brown in Amsterdam

HOLLANDSCHE Beton Groep (HBG), the leading Dutch construction group, is seeking to acquire a sizeable stake in its competitor Royal Volker Stevin in what may be a prelude to the further restructuring of the Netherlands' building industry.

HBG said talks with the Dutch offshore contractor Heeren to acquire a 27 per cent package of Volker Stevin shares - corresponding to 1.8m shares - with a present market value of Fl 82.5m (\$24.7m) - are at "an advanced stage" and that a final agreement is expected shortly.

HBG declined to comment on market speculation that a full takeover bid may be pending, but said it was not interested

in initiating an unfriendly action. Such an action would inevitably focus attention on Holland's highly restrictive anti-takeover mechanisms.

Volker Stevin announced that it would use "all available means to protect the company" from unwelcome predators, and said it intends to remain independent. The group's board has shareholder authorization to issue up to 10m ordinary and 10m preference shares as a takeover defense.

A HBG spokesman said the group was anxious to keep Volker Stevin out of foreign hands amid an industry-wide reorganisation, but would not indicate what, if any, rival bidders there might be for its Rotterdam-based target.

HBG also stressed the "complimentary" nature of the two companies' activities on the building market, where construction activity and new orders are picking up slowly after a prolonged period of stagnation. HBG is active in general and industrial building, road construction, dredging and offshore fabrication.

Volker Stevin is active in dredging, road construction and civil engineering, and reported a first-half pre-tax profit of Fl 3.6m this year against the Fl 200,000 loss in 1987 after an extensive restructuring and divestment programme, but is still suffering from a depressed dredging market.

This is Tishman's fourth significant move in the European market in recent years. One Tishman company is building the tallest European office tower in Frankfurt. Last year another started a construction management company with Wimpey, the UK contractor.

Last month Tishman joined with British property companies and Chartered Bank to form a company for investment in US property.

The new property management venture, which seeks to relieve property users of the problems of daily administration, reflects the expansion of this sort of service in the UK. Property management has become increasingly elaborate and sophisticated.

Nortel in Siemens link

By David Brown

CANADA'S Northern Telecom and Siemens of West Germany have announced separate plans to market their respective digital PABX switching systems to private customers in The Netherlands at the start of next year.

Northern Telecom has reached a "co-operation agreement" with Getronics under which the Amsterdam-based electronics and telecommunications equipment concern will market its Meridian SLI PABX in Holland. Getronics said it hoped to capture a 10 per cent market share by the end of 1989.

Siemens, meanwhile, declined to indicate its market share target, but said it will sell the full range of its Hicom PABX system directly through its existing Dutch subsidiary.

Pakhoed diversifies in US

By David Brown

PAKHOED, the Dutch transport and storage group, will diversify further from the volatile oil sector through the planned acquisition of large new chemical tank storage facilities on the US West coast.

Preliminary talks with unnamed partners may lead to the signing of a letter of intent by the end of this year on a purchase which could be worth up to Fl 250m (\$118m) and which would expand the company's existing US interests by between 10 and 20 per cent. Pakhoed claims to be the

biggest company operating in the US chemicals storage field, where its interests generated fully 50 per cent of its first-half operating profits. Net income during that period climbed 39 per cent to Fl 25.7m.

Because of a slump in revenue at the Rotterdam-based group's European crude and mineral oil storage facilities in a broadly weakening market, a further expansion of the continental chemical storage operations is also under active discussion.



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Stanislas Yassukovich.

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FT GUIDE TO WORLD CURRENCIES

The table below gives the latest available rates of exchange (rounded) against four key currencies on Monday 3 October 1988. In some cases the rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Table with columns: COUNTRY, £ STG, US \$, D-MARK, YEN (x 100), COUNTRY, £ STG, US \$, D-MARK, YEN (x 100). Lists various countries and their exchange rates.

Abbreviations: (a) Base rate; (b) Bid rate; (c) Commercial rate; (d) Controlled rate; (e) Essential imports; (f) Financial rate; (g) Exports; (h) Non-commercial rate; (i) Business rate; (j) Free rate; (k) London market; (l) Market rate; (m) Official rate; (n) Preferential rate; (o) Variable rate; (p) Variable rate; (q) Variable rate; (r) Variable rate; (s) Variable rate; (t) Variable rate; (u) Variable rate; (v) Variable rate; (w) Variable rate; (x) Variable rate; (y) Variable rate; (z) Variable rate.

INTERNATIONAL CAPITAL MARKETS

Weakening oil prices help underpin New York bonds

By Janet Bush in New York and Norma Cohen in London

TREASURY BOND prices edged slightly higher in morning New York trading yesterday as the latest monthly report from US purchasing managers confirmed that economic growth has slowed. The market was also helped by continuing erosion in crude oil prices. At mid-session on the New York Mercantile Exchange, crude for November delivery was quoted 25 cents a barrel lower, at \$13.12 a barrel. However, the positive impact of the purchasing managers' report and oil prices was limited by a sense of extreme caution prior to the publication on Friday of September US employment figures, which are expected to show robustness in the job market. At the New York auction, 30-year issue stood at 101 1/2, taking the yield just below 9 per cent for the first time since September 15. Friday's figures are expected to show a rise in the non-farm payroll of close to 200,000 in September and a fall in the unemployment rate to 5.5 per cent, from 5.6 per cent in August. Some forecasters are looking for even stronger numbers. Economists at Griggs & Sen-

Trading in the new bonds futures contract on Liffa was also very light, with turnover at about 2,500 contracts. SHL, allowing foreigners to participate more fully in the German bond markets is expected to translate eventually into a broader investor base for the securities. The Bundesbank did not participate in any of the market's first-ever variable-rate fixings on government bonds. IN-UK GILT prices declined up to 1/2 point, mostly on profit-taking. Dealers noted that over the past two weeks prices have risen about 2 1/2 points, sparking a small correction. The effect of lower oil prices is seen as a net benefit to the economy, which is healthy in need of something to offset inflationary worries. Even if sterling does weaken as a result of cheaper oil, the effect on the gilt market is likely to be negligible. Foreigners have been investing primarily in short-term bank deposits, where yields are highest. Meanwhile, the stock shortage remains the single greatest factor in determining gilt prices. With a fiscal surplus of more than £10bn this year, instead of the £4bn forecast, the Bank of England will have to continue its purchase of gilts if it is to maintain its policy of 'full funding' - that is, not selling any more gilts than needed to cover redemptions. Some analysts are speculating that the full funding policy is to be abandoned, which makes his Autumn Statement.

GOVERNMENT BONDS

The purchasing managers' report showed that economic growth has decelerated to the slowest rate in six months. The composite index fell to 54.8 per cent from 56.3 per cent. IN WEST GERMANY, bonds rose sharply with the price on the benchmark 6 1/2 per cent bond due 1996 25 basis points higher at 101.50. Other long-term bond prices gained as much as 40 basis points. Meanwhile, short-term Bundesobligationen, in which foreigners were allowed to invest for the first time yesterday, rose 25 basis points in light trade. The coupon on the new \$80 obligations was set at 5.75 per cent. Dealers described trading as strictly professional, with genuine end-investors in noticeably short supply.

BENCHMARK GOVERNMENT BONDS

Table with columns: Bond Name, Price, Change, Yield, etc. Lists benchmark government bonds and their performance.

BOND TRADING

BOND TRADING was subdued in Tokyo. The yield on the benchmark 10th government issue closed at 4.90 per cent, down 0.05 of a point from the previous close. Most investors held back as the feeling spread that prices were likely to fall.

Table with columns: Country, Bond Name, Price, Change, Yield, etc. Lists international bonds and their performance.

FT INTERNATIONAL BOND SERVICE

Listed are the latest international bonds for which there is an adequate secondary market. Closing prices on October 3.

Large table listing international bonds, including US Dollar, Deutsche Mark, and other currencies, with columns for bond name, price, change, and yield.

TRADE INDEMNITY CREDIT REPORT SERVICE

1-800-394-4311

Advertisement for Philips S.p.A. featuring the Polymotor logo and the text 'Philips S.p.A. has been acquired by VICKERS A TRINOVIA COMPANY'.

Advertisement for Banco di Roma London Branch, featuring the text 'NOTICE OF REDEMPTION To the Holders of U.S. \$150,000.00 BANCO DI ROMA LONDON BRANCH Floating Rate Depository Receipts Due 1992'.

Advertisement for Societe Generale, featuring the text 'The Financial Times proposes to publish this survey on: 12th December 1988'.

Advertisement for The Kingdom of Thailand, featuring the text 'The Kingdom of Thailand U.S. \$85,000.00 Floating Rate Capital Notes due 2000'.

Advertisement for the FT International Bond Service, featuring the text 'Listed are the latest international bonds for which there is an adequate secondary market'.

Handwritten note: 02/10/88

World Bank seeks global \$ bonds

By Stephen Fidler, Euromarkets Correspondent
THE WORLD BANK is interested in pursuing the concept of global dollar bonds - securities simultaneously issued in the US and other markets - and is likely to make such an offering by the end of next year...

aims had been to keep yield spreads between market benchmarks and its own issues as low as possible. The question is how we make the market for our bonds more efficient, and a global bond issue is one way to achieve a more efficient market...

Telecom Australia plans novel Euro issue

By Our Euromarkets Staff
TELECOM Australia (Australian Telecommunications Commission) is planning a \$150m Eurobond issue which carries an investor option to exchange the deal with an outstanding domestic issue from the borrower...

Pending employment data put dollar issues on hold

By Dominique Jackson
A SOLE NEW 10-year dollar straight issue emerged in the primary Eurobond market yesterday, in line with the Treasury market gains, but a couple of basis points.

INTERNATIONAL BONDS

highly liquid at the moment. However, many dealers said they had detected a fair amount of demand for longer-dated paper, reflecting recent improved sentiment for the currency itself, a sharp contrast to the pre-summer period seen earlier this year when several two, three and even one-year dollar straights were launched.

Rothschild in Langoni venture

By Peter Montagnon, World Trade Editor
M.N. ROTHSCHILD, the UK merchant bank, has joined forces with Dr Carlos Langoni, the former Brazilian central bank governor, to create a company to develop opportunities in the growing Brazilian debt/equity swap market.

Matsushita in \$300m funding

By Norma Cohen
PANASONIC Finance (Netherlands) BV, a subsidiary of Matsushita Electric Industrial Co. Ltd., is setting up a \$300m medium-term note programme in the Euro market, the first Japanese company to do so.

Brazil to crack down on informal debt conversion

By Our Euromarkets Staff
BRAZIL will no longer allow its state-owned enterprises and municipalities to use informal conversions of commercial bank debt purchased in the secondary market to pay local debts, according to Mr. Mateus da Nobrega, the Brazilian Finance Minister.

Chase to join selling Italian mutual funds

By Alan Friedman in Milan
CHASE MANHATTAN, the US bank, is joining forces with Mr. Silvio Berlusconi's Fininvest group in Italy to market two new mutual funds designed to channel Italian investment into foreign equities and bonds.

Japan foothold for Eurobrokers

By David Lascelles
EUROBROKERS, the international money broking firm, has set up a joint venture in Tokyo with the Yogo Tanaka company.

NEW INTERNATIONAL BOND ISSUES

Table with columns: Issuer, Amount in \$, Coupon %, Price, Maturity, Fees, Book runner. Includes entries for British Telecom, Koori Julien Co., Mitsubishi, etc.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table of FT-Actuaries Share Indices for Monday October 3 1988. Columns include Index No., Day's Change %, and various index values.

LONDON MARKET STATISTICS

Table of London Market Statistics showing Rises and Falls Yesterday. Columns include British Funds, Government and Foreign Bonds, etc.

LONDON RECENT ISSUES

Table of London Recent Issues listing various stocks and their prices. Columns include Name, Price, and other details.

FIXED INTEREST STOCKS

Table of Fixed Interest Stocks listing various bonds and their yields. Columns include Name, Yield, and other details.

RIGHTS OFFERS

Table of Rights Offers listing various companies and their offer details. Columns include Name, Offer Price, and other details.

TRADITIONAL OPTIONS

Table of Traditional Options listing various options and their prices. Columns include Name, Price, and other details.

LONDON TRADED OPTIONS

Large table of London Traded Options with multiple columns for different options, including calls and puts, and their respective prices and volumes.

Table of Average Gross Return Yields for various asset classes. Columns include Asset Class, Yield, and other metrics.

For rate indications see end of London Share Services. Stocks favoured for the call included AEM, Alfa, Transocean, etc.

15% RISE IN PROFITS

53% OF ALL SALES OVERSEAS

55% OF UK TEXTILE MATERIALS SOURCED OVERSEAS

" These results confirm the inherent strength of our international structure and reflect improved performance from recently repositioned businesses. "

	6 months to 31 July		Year to
	1988	1987	31 Jan
	£'000	£'000	£'000
Sales	238,815	246,059	503,802
Profit on ordinary activities before tax	19,075	16,549	40,290
Earnings per share	5.03p	4.6p	11.34p
Dividends per share	1.8p	1.7p	4.5p

The half years' figures are unaudited. The results for the year to 31 January 1988 are an abridged version of the full accounts which received an unqualified report by the auditors and have been filed with the Registrar of Companies.



To receive a copy of Tootal Group's Interim Report 1988 write to:
 Audrey Lloyd-Kitchen, Director of Corporate Affairs, Tootal Group plc,
 Tootal House, 19/21 Spring Gardens, Manchester M60 2TL.

WINNING LEADERSHIP IN WORLD MARKETS

UK COMPANY NEWS

City Site purchases property portfolio

By Paul Cheswright, Property Correspondent

CITY SITE Estates, Glasgow-based property investment and development company which has 50 per cent of its assets in central London, is extending the scope of its portfolio through the purchase of Viking Group for £14.75m cash.

Viking, based in Derby, is a private company with properties in Regent Street, Conduit Street and Mount Street in London's West End, a shopping centre in Belford, Nottingham and an industrial property in Andover, Hampshire.

Viking also has development projects in the West End, Chatham, Milton Keynes and Liverpool.

The purchase is being funded from City Site's own resources and from bank borrowings. Mr Louis Goodman, managing director, said yesterday that there would be little effect on gearing because of the company's property sales programme.

Mr Bryan Harris and Mr Geoffrey Bates, Viking's managing directors of Viking are to join City Site's board.

Pleasurama bid battle continues

By David Waller

THE BATTLE between Pleasurama and Mecca Leisure continued yesterday as Pleasurama put out its long-awaited defence document.

The document provides point by point answers to the questions raised by the predator's critical document put out last week.

For example, Pleasurama contests Mecca's allegation that Mr Robert Barr, president of Pleasurama in the US, is leading a "spending spree".

The defence document also challenges Mecca's assertion that Pleasurama bought Olliver's of a multiple of 147 times historical earnings, saying that the true figure was about 12 times earnings in the year of its acquisition.

Mecca took delight in drawing attention to the fact that the Pleasurama directors have awarded themselves a 10 per cent pay rise from October 1.

Mr Barry Hardy, Pleasurama's development director, denied that there was anything unusual in the timing of the award, saying that the corporate pay review always took place at this time of the year.

Mecca refused to comment on the intense speculation that it is to increase its share-only offer. It has until the end of the week to improve its terms, and is widely thought to be poised to raise its bid to 240p a share, including an element of cash for the first time.

Pleasurama shares edged down 1p yesterday to 231p, considerably higher than the 217p value of the existing offer with Mecca's shares at 171p, up 1p.

United Guarantee falls in the red

TWO acquisitions in September last year were responsible for United Guarantee reporting a loss for the first half of 1988. Directors said all companies had traded profitably except for Rock Engineering Distributors and Gregory & Sutcliffe.

On turnover increased from £4.33m to £7.78m there was a pre-tax loss of £162,900 (£224,000 profit). The loss per 5p share came out at 0.41p (earnings 0.78p).

The pre-tax figure was struck after an exceptional debit this time of £199,000 being the profit on the sale of quoted securities. The directors said that the holdings of quoted securities would continue to be liquidated to reduce debt.

An improvement was expected in the second half. Acquisition prospects continued to be evaluated particularly in oil and gas.

Doeflex unchanged

Doeflex pre-tax profits were £633,000 in the first six months virtually unchanged from £637,000. The interim dividend is an unchanged 1.15p.

Barry Wehmiller surges 42% to £5.21m

By Andrew Hill

BARRY WEHMILLER International, a specialist packaging equipment group, increased pre-tax profits by 42 per cent to £5.21m in the year to July 31, compared with £3.66m in 1986-87.

Turnover was up 36 per cent from £27.4m to £37.2m, and earnings per share grew by 15 per cent to 18p (15.7p).

The group, which came to the market in June 1987, said all divisions had contributed to the advance in turnover and profitability.

Inex Vision Systems, producing equipment for the inspection, regulation and filling of glass containers, made operating profits of £3.13m (£2.55m) on turnover of £17m (£14.2m).

Mr Stewart Brown, BWI's chief executive, said he forecast excellent prospects for the use of new technology in the quality control of bottling and filling production lines. He said video technology had now reached the stage where it could replace personnel employed checking labels and regulating production.

The bottling machinery division - renamed Dawson Packaging to reflect the production of machinery handling plastic cartons as well as bottles - increased profits from £354,000 to £1.34m on turnover of £14.4m (£7.88m). The Fords Packaging Systems division, formerly the closure equipment division, which fills, handles and seals plastic containers, made operating profits of £843,000 (£687,000) on sales of £5.77m (£4.68m).

About 44 per cent of BWI's sales are made in the UK, 24 per cent in North America and the balance elsewhere overseas.

The directors are recommending a final dividend of 3p, making 4.5p for the year. A single dividend of 2p was paid for the 1986-87 year.

Mr Brown said he envisaged a greater proportion of profits coming from overseas in the future, with growth through acquisition in the US and elsewhere in due course.

BWI's major customers are in the glass industry - manufacturing and filling bottles for food and drink - but Mr Brown said he expected increased sales to the pharmaceuticals business and direct to producers of plastic packaging.

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TSB unveils unification plan

By David Borchard

TSB, Britain's sixth largest banking group, yesterday announced plans to merge the treasuries of TSB England & Wales and Hill Samuel, the City merchant bank which it bought last November.

The unified treasury will be based at the Wood Street premises of Hill Samuel which is now functioning as the corporate business wing of the group. It will be headed by Mr David Cobbold, currently general manager financial markets for TSB England & Wales.

The merger brings together two very different treasuries which TSB hopes will complement each other.

According to Mr Don McRichard, chief executive of TSB's retail banking operations, TSB's treasury has traditionally enjoyed a strong inflow of retail funds which the bank has been unable to lend, while Hill Samuel has been constrained by lack of capital from using its merchant banking skills to the full.

"The merger will create a capital base of over £1.2bn," he said yesterday. The merger is not expected to pose problems with staffing. "Because the two treasuries are so complementary, redundancies are not an issue," Mr McRichard said.

TSB England & Wales will continue to concentrate on retail and personal services through its branch network. Mortgage Express, the group's mortgage finance arm, is to be transferred from United Dominion Trust to the bank.

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"The merger will create a capital base of over £1.2bn," he said yesterday. The merger is not expected to pose problems with staffing. "Because the two treasuries are so complementary, redundancies are not an issue," Mr McRichard said.

TSB England & Wales will

Percy Bilton rises to £7m

Percy Bilton, property investor and developer, raised its profits to £7.02m pre-tax for the first six months of 1988, an improvement of 11 per cent over the £6.31m returned for the first half of the previous year.

Turnover, excluding inter-company transactions, was little changed at £14.71m (£14.53m).

Earnings emerged at 11p (10.4p) and the interim dividend rises to 6.15p (4.9p).

Banco Bilbao

Shares of Banco Bilbao Vizcaya of Spain were listed on the London Stock Exchange yesterday.

BET acquires three US companies for £11.8m

By Vanessa Houlder

BET, the international services group, has strengthened its position as the fourth largest road tanker operator in the US, with the acquisition of three US distribution companies for \$20m (£11.8m).

BET's distribution service company, United Transport International, has bought the Kansas-based Becker Corporation, Virginia-based Bralley-Willett Tank Lines and North Florida Transport Service.

The deals were part of an effort to expand BET's support

services operations in the US, following the sale of Argus Pressand Rediffusion Simulation, both of which had substantial US operations.

The three companies have combined revenues of \$41m.

Becker and Bralley-Willett both carry liquid and dry bulk cargoes and operate a total of 18 terminals in Kansas, Oklahoma, Missouri, Virginia and North Carolina.

North Florida Transport Service carries liquid bulk commodities throughout the US.

Inchcape £12.5m US testing expansion

By David Waller

INCHEAPE, the international testing group, has expanded its US operations by acquiring two US companies for £12.5m.

The larger of the two companies is ETE Testix Laboratories. This is a New York state-based company which specialises in safety testing in the

US, primarily of electrical components, and components in hydraulic systems.

The PKR Scania group is being bought for £4.1m (£2m). These companies specialise in commodity inspection, principally of grain, fertilisers and other agricultural products.

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Ossory Estates PLC
Preliminary Statement of the Unaudited Consolidated Results for the year ended 30th June 1988

- Profit before tax for the year ended 30th June 1988 was £3,769,000 (1987: £1,715,000), an increase of 120%.
- Turnover increased by 18% to £20.8 million (1987: £17.6 million).
- Basic earnings per share were 1.5p (1987: 1.23p), an increase of 22%.
- An increase in revaluation of investments by a net £5 million to £36 million shows an increase in fully diluted net asset value per share from 12.87p to 21.01p.
- The Board recommends a final dividend of 0.3p per share making a total dividend for the year of 0.5p per share.
- As shown by the results, the Group has had a very successful year and it is clear that proper foundations have now been laid to ensure the future stability and prosperity of the business.

John Walker, Chairman.

	1988	1987
Turnover	20,851	17,646
Profit before tax	3,769	1,715
Profit attributable to shareholders	2,877	1,576
Net dividend per share	0.5p	0.1p
Earnings per share (basic)	1.50p	1.23p

The earnings per share are based on 191,488,963 Ordinary shares being the weighted average number in issue during the year. The EBT results are reported for the effects of merger accounting. Copies of the Report and Accounts will be available from:
The Secretary, Ossory Estates PLC, 24 Brook's Mans, London W1Y 1LP

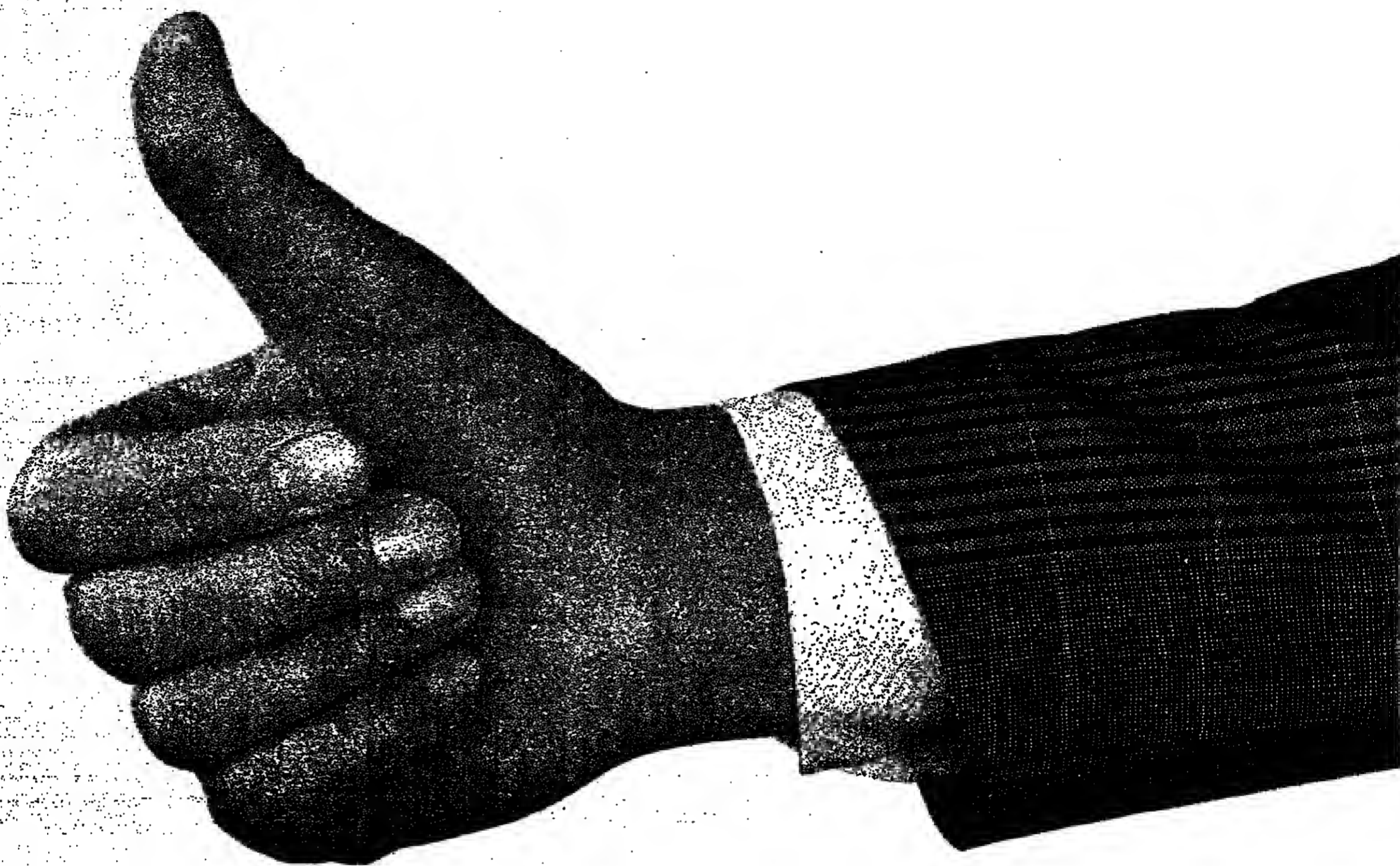
£75,000,000
Yorkshire International Finance BV.
Guaranteed Floating Rate Notes due 1994
Guaranteed on an unsubordinated basis by

Yorkshire Bank PLC

In accordance with the provisions of the Notes, notice is hereby given that for the three month period 30 September 1988 to 30 December 1988 the Notes will carry an interest rate of 12 3/4% per annum with a coupon amount of \$150.73 per \$5,000 Note.

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Every year the international computer magazine "Datamation" publishes a table of the world's leading Information Systems companies. For the fourth year in succession, Siemens is No.1 in the European league and, as such, the top European computer company in the world market. This success can be attributed to four major product groups:

- the BS2000 computers, which run under a single operating system - from small departmental computers right through to the largest mainframes.
- the SINIX® multi-user system, Europe's best-selling UNIX® computers.
- the Siemens Personal Computers - made in Europe, with a continually increasing share of the market.
- the digital office communications systems, which are at home throughout the world.

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If you would like to know more about Siemens Computing, please write to Siemens AG, Infoservice 134/2560, P.O.Box 23 48, D-8510 Fürth, Federal Republic of Germany.

Leading European-Based IS Companies	
Company	World IS Rev (\$mil)
1 Siemens AG	\$5,703.0
2 Ing. C. Olivetti & Co. SpA	4,637.2
3 Groupe Bull	3,007.5
4 Nixdorf Computer AG	2,821.5
5 NV Philips Gloeilampfabriek	2,601.6
6 STC plc	2,123.9
7 Alcatel NV	2,052.1
8 LM Ericsson	1,511.6
9 Inspectorate Intl. Ltd.	1,225.0
10 Memorex Intl.	1,041.1

Source: Datamation, August 1988
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A18100-D-2246-X7900

tylo cuts midway ss to 144,000
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 Tek Resources in the LSM
 FINE 23% 15,286
 EL
 EDON 10 75 1 322 121
 1000 10 75 1 322 121
 1000 10 75 1 322 121

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Main table of unit trusts with columns for Name, Manager, Assets, and other financial details. Includes sections for 'I.G. INDEX LTD' and 'CROSSWORD'.

I.G. INDEX LTD, 9-11 GROSVENOR GARDENS, LONDON SW1W 0BD. Tel: 01-828 7233/5699. Reuters Code: IGIN, IGI0.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to Puzzle No. 6,749.

ACROSS: 1 Post organized FR re book? Trus (6,6). 10 Serious part offered in advance (7). 11 Stage collapsing in Greek comedy in his doing (7). 12 Sort of guide showing object of special interest (6). 13 Put out by universities? (4,4). 14 Record award, we hear, for initiative (10). 15 Run through half the alphabet; it's quite small (4). 16 A weed to cut off (4). 17 Study university men in Employment Training for the final outcome (10). 18 New York City is excited and anxious (2,1,5). 19 Ignores any recognised absence (6). 20 Change to spare? It could be needed for paper (7). 21 Constable is not usual or commonplace (7). 22 Giving new direction (in a fashion) (12). DOWN: 2 Just a piano (7). 3 They have roles, etc. in the outcome (8). 4 Carry child over the last bit of hike (4). 5 Newspapers without capital in an area showing backward movement (10).

GUIDE TO UNIT TRUST PRICING

The data included under the Authorised section of the FT Unit Trust Information Service is being updated to improve the service to readers and to conform with new legislation. These changes are included in the price when the customer buys units. The price at which units may be bought.

Table of unit trust prices with columns for Name, Price, and other details. Includes a section for 'STEWART INVESTMENT UNIT TRUST'.

FT UNIT TRUST INFORMATION SERVICE

Handwritten scribble in the top right corner.

Main table containing unit trust information, organized into columns for various categories like 'INSURANCES', 'General Investment Funds', 'Legal & General', etc. Each entry includes fund names, providers, and performance metrics.

INSURANCES

OTHER UK UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

Main table containing unit trust information, organized into columns for various categories like 'UK LISTED', 'OFFSHORE AND OVERSEAS', and 'OFFSHORE INSURANCES'. Each entry includes company names, fund names, and numerical data.

Handwritten note: 021-221104

FT UNIT TRUST INFORMATION SERVICE

LONDON SHARE SERVICE

Handwritten scribble at the top right of the page.

Main table of FT Unit Trust Information Service, listing various unit trusts with columns for Name, NAV, and other financial metrics.

Main table of London Share Service, divided into sections: BRITISH FUNDS, BRITISH FUNDS - Contd, FOREIGN BONDS & RAILS, AMERICANS, INT. BANK AND O'SEAS GOVT STERLING ISSUES, CORPORATION LOANS, COMMONWEALTH & AFRICAN LOANS, LOANS, and Money Market Trust Funds.

OTHER OFFSHORE FUNDS

Table of Other Offshore Funds, listing international unit trusts and their performance.

Money Market Trust Funds

Table of Money Market Trust Funds, listing short-term investment vehicles.

Money Market Bank Accounts

Text describing Money Market Bank Accounts and associated services.

LONDON STOCK EXCHANGE

Leading shares slide in late trading

A UK equity sector already unsettled by falling oil prices and weakness in the Tokyo market extended its losses in late trading yesterday as Wall Street opened sharply lower. By the close, the London market was down by more than 23 FT-SE points, bringing the 1800 mark under question again.

Accounting Deadline Dates table with columns for West, Oct, and Nov dates.

crude below \$12 in early deals, its lowest level for two years - and bringing into sharper focus the warning suggestion of \$5 a barrel oil prices issued floated last week by the Secretary-General of Opec.

prices. At Warburg Securities, Mr Kevin Gardner, UK economist, commented that lower oil prices could be good news for domestic inflation prospects. However, the market soon abandoned its rally as it sensed a poor start on Wall Street, and turned strongly downwards when the Dow fell sharply.

looked for further developments after the increased stakes disclosed last week by Bond Holdings. The market was cool towards GKN's purchase of 22.2 per cent of Westland Group. Following a shareholders' agreement with United Technologies (UTC) of the US, the combined interests of GKN and UTC will be 28.99 per cent of Westland.

FINANCIAL TIMES STOCK INDICES

Table of stock indices including Government Secs, Fixed Interest, Ordinary, Gold Mines, and S.E. Activity indices.

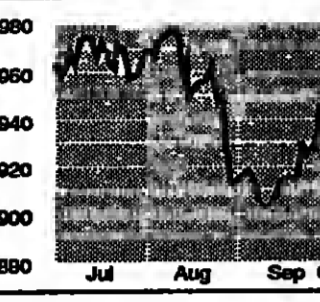
TRADING VOLUME IN MAJOR STOCKS

Table showing trading volume for various major stocks like BHP, BP, GKN, etc.

Lasmo auction doubt

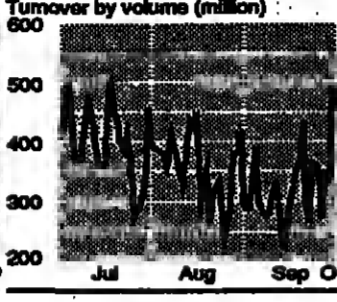
A wave of selling Enterprise Oil after confirmation that the auction of the 25 per cent stake held by London & Scottish Marine (LASMO) will be delayed. Also worrying reports that the auction price might be much lower than market expectations.

FT-A All-Share Index



lift the mood of a sombre banking sector. The deal, described as strategically important, will cost Royal almost \$30m and reduce the Kuwait Investment Office shareholding in the UK banking group by 2 1/2 per cent.

Equity Shares Traded



outlook. Shell dipped 9 to 959p, additionally upset towards the close by weakness on Wall Street. BP were also easier, the party-paid closing 7 off at 185 1/2p and the old shares 5 1/2 lower at 237p.

back, despite details of the planned Japanese offering. The shares settled 10 1/2 easier at 545 1/2p. Midland were also dull, ending 7 lower at 414p.

at 128p. Warburg Securities is looking for half-year pre-tax profits of around \$88m. Electrical stocks traded steadily until market sentiment turned in the afternoon session and then ran into selling.

at 128p. Warburg Securities is looking for half-year pre-tax profits of around \$88m. Electrical stocks traded steadily until market sentiment turned in the afternoon session and then ran into selling.

Adelaide Steamship company. Analysts, however, point out that with the Rolls-Royce name reverting to the Rolls-Royce engine maker in the event of a foreign bid, Vickers has at least one line of defence.

over higher. The tone of the wider market was a distinct one, however, and the shares dropped back to 339p.

Business was quiet on the London Traded Options Market, with only 24,138 contracts traded, made up of 13,923 calls and 10,765 puts.

Other market statistics including FT-Actuaries Share Index and London Traded Options. Page 81.

DRG spotlight

DRG was one of the day's best performers, rising 23 to 502p, after reaching 512p at one stage. Dealers reported a resurgence of takeover speculation, specifically suggestions that WH Smith was trying to buy a 29 per cent stake prior to launching a bid.

GKN caution

GKN, the engineering and defence group, came to the fore, falling 16 to 309p in volume of 1.4m shares as the market reacted cautiously to the announcement that it had acquired a 22 per cent stake in Westland, the helicopter manufacturer.

NEW HIGHS AND LOWS FOR 1988

NEW HIGHS (25): (1) Trans. Sp. R. Vol. Trans. 25p to 2.000. (2) American-South. 14 1/2p to 1.400. (3) American-South. 14 1/2p to 1.400. (4) American-South. 14 1/2p to 1.400.

Low turnover was a feature throughout the banking sector where three of the major clearers were unable to record volumes in excess of 1m shares. The sector is moribund, said a marketmaker commenting woefully on the slowest opening session of a new trading Account for many a month.

Barry Wehmler, reflecting pre-tax profits up 42 per cent for the year, were supported and put on 6 to 157p. Week-end press comment stimulated renewed demand for Wassail, 11 at the 500d at 229p.

Royal goes Spanish

Royal Bank of Scotland's alliance with the Spanish Banco Santander through arrangements covering cross-holdings, joint ventures and plans for "wide ranging commercial co-operation" failed to

APPOINTMENTS

as director responsible for research coverage of European insurance and bank shares. He joins from Midland. Mr Hugh Roberts has been appointed managing director of KRAFT FOODS. He succeeds Mr Tony Meehan who has been made vice president of Knudsen, a Kraft subsidiary in California.

Mr Graham Davies has joined CRYSTALITE HOLDINGS as executive of its north east divisions. He was managing director of STC Components. Mr Alex Trotter, previously responsible for the divisions, remains a director and will be co-ordinating the integration and merger development of Crystalite's recently acquired resistive product business.

Mr Steve Lamita has been appointed group financial controller by WESTERN MOTOR HOLDINGS. He was previously with Price Waterhouse and Co.

Mr David Hallis has been appointed director of marketing strategy for LSI LOGIC EUROPE. Mr Frank L. Heathcote has been appointed managing director of safety equipment specialists, ERSKINE, Oldham. He was sales manager for Didsbury Engineering.

WestLB Investment Banking advertisement with large text and a circular diagram showing services like Product Development, Bond and Stock Trading, New Issues Syndication, etc.

WestLB advertisement with text: WestLB's integrated investment banking is the strategic answer to market developments. We are expanding our international network and strengthening our marketing team and salesforce.

Changes at Standard Chartered

As part of the continuing process of developing the retail banking activities of STANDARD CHARTERED BANK in the UK, the following appointments have been made: Ms Christine D'Crux is made head of personal banking. She joins from American Express where she was director, gold card project management.



Mr Robin Hoyer Miller is appointed secretary general of the BRITISH BANKERS' ASSOCIATION and of the Committee of London and Scottish Banks. He succeeds Mr Kenneth Lucas who has retired. Mr Miller joins from Barclays Bank where he has been director of UK financial services.

Mr Norman Lessels, immediate past president of the Institute of Chartered Accountants of Scotland, has been made a non-executive director of GENERAL SURETY & GUARANTEE CO, a subsidiary of Swiss Re, Zurich.

Mr Brian Wehman, commercial director of The Observer, has been made a board member of OBSERVER LTD. Mr E.W. Yates has joined FOX-PITT, KELTON, members of the Securities Association.

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CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Sentiment turns against dollar

THE DOLLAR appeared to suffer more than soaring yesterday from the fall in world oil prices.

Any collapse in the market price of oil on Friday Dr Subroto, secretary-general of the Organisation of Petroleum Exporting Countries, warned that oil could fall to \$5 a barrel.

Yesterday's announcement of a rise in August US factory orders of 2.1 per cent below expectations of a 3.4 per cent rise, added to the bearish tone.

Friday's figures on September US unemployment and non-farm payrolls may inject fresh impetus into a dull market, but at the moment dealers seem prepared to let the dollar drift.

Dealers noted that the method of intervention used on Friday by the Bank of England on the London money market appeared to signal that UK bank base rates will not fall in the foreseeable future.

SFR1.8885; and to FFfr.8350 from FFfr.8700.

On Bank of England figures the dollar's exchange rate index fell to 93.0.

The Canadian dollar was in demand following news that a general election is to be held in Canada on November 21.

The US dollar slipped to C\$1.218 from C\$1.170 in early London trading, prompting sales of Canadian dollars by the Bank of Canada, via the Bank of England.

The pound was firm in terms of a generally soft dollar, but lost a little ground against currencies in the European Monetary Union.

This reflected the strength of the D-Mark, amid reports of demand for the West German currency against the Japanese yen and Swiss franc.

Sterling managed to rise against the yen and Swiss franc, leaving the pound's exchange rate index, unchanged at 76.9, after touching a peak of 76.9.

The pound gained 80 points to \$1.6890, and improved to £227.00 from £226.50, and to SF2.6825 from SF2.6775, but fell to DM3.1600 from DM3.1675, and to FFfr.10.7625 from FFfr.10.7725.

FINANCIAL FUTURES

Short sterling falls back

SHORT STERLING futures gave up early gains on the late market yesterday, finishing near the day's low, but only slightly weaker on the day.

Long gilt futures showed a similar performance, finishing little changed from Friday. Traders were said to be disappointed that oil prices did not fall further, since this is

regarded as favourable for inflation prospects.

This, coupled with the failure of sterling to improve against Continental currencies, in spite of a high yield differential in favour of London, uninvited bids, leading to selling, which was carried over into the short sterling market.

UK economic news was rather disappointing on balance. The volume of retail sales in August was revised down. This was encouraging news, but was offset by a rise of \$2.7bn in consumer credit.

Dealers commented that combined with recent bank returns, showing an increase in the amount of notes in circulation, it pointed towards rising money supply growth.

Table with columns: Strike, Call, Put, etc. for various futures contracts.

Table with columns: Strike, Call, Put, etc. for various futures contracts.

Table with columns: Strike, Call, Put, etc. for various futures contracts.

EUROPEAN OPTIONS EXCHANGE

Large table showing European options exchange data with columns for Series, Vol, Last, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table showing EMS European Currency Unit Rates for various currencies.

POUND SPOT-FORWARD AGAINST THE POUND

Table showing Pound Spot-Forward Against the Pound rates.

DOLLAR SPOT-FORWARD AGAINST THE DOLLAR

Table showing Dollar Spot-Forward Against the Dollar rates.

LONDON (LIFFE)

Table showing London (Liffe) market data.

CHICAGO

Table showing Chicago market data.

JAPANESE YEN (SM)

Table showing Japanese Yen (SM) market data.

BASE LENDING RATES

Table showing Base Lending Rates for various banks.

STERLING INDEX

Table showing Sterling Index data.

CURRENCY RATES

Table showing Currency Rates for various currencies.

EUROPEAN CURRENCY UNIT INTEREST RATES

Table showing European Currency Unit Interest Rates.

INTERNAL LONG TERM JAPANESE GOVT.

Table showing Internal Long Term Japanese Govt. rates.

U.S. TREASURY BILLS (SM)

Table showing U.S. Treasury Bills (SM) rates.

U.S. TREASURY BILLS (DM)

Table showing U.S. Treasury Bills (DM) rates.

STANDARD & POOR'S 500 INDEX

Table showing Standard & Poor's 500 Index data.

OTHER CURRENCIES

Table showing Other Currencies rates.

EXCHANGE CROSS RATES

Table showing Exchange Cross Rates.

INTERNAL SHORT TERM JAPANESE GOVT.

Table showing Internal Short Term Japanese Govt. rates.

U.S. TREASURY BILLS (JPY)

Table showing U.S. Treasury Bills (JPY) rates.

U.S. TREASURY BILLS (GBP)

Table showing U.S. Treasury Bills (GBP) rates.

STANDARD & POOR'S 500 INDEX

Table showing Standard & Poor's 500 Index data.

MONEY MARKETS

UK rates firmer

INTEREST RATES were a little firmer on the London money market yesterday. After reasonably good UK economic data last month there had been a growing feeling that monetary policy could ease, but action by the Bank of England last Friday seems to have put an end to that idea.

The authorities lent money to the discount houses at the existing base rate level, which dealers appear to have accepted as a signal for caution.

Three-month interbank rose to 12-11 1/2 per cent yesterday from 11 1/2-11 3/4 per cent. The Bank of England forecast a money market credit surplus of £100m.

FT LONDON INTERBANK FIXING

Table showing FT London Interbank Fixing rates.

MONEY RATES

Table showing Money Rates for various currencies.

LONDON MONEY RATES

Table showing London Money Rates.

NEW YORK

Table showing New York market data.

MONEY RATES

Table showing Money Rates for various currencies.

LONDON MONEY RATES

Table showing London Money Rates.

OBITUARIES

MARRIS: On 27th September 1988, in a Nursing Home at Eastbourne, Essex, a native of F.C.A. of Bilton, Eastbourne, formerly of Hants, died at the age of 83.

LEGAL NOTICES

P.C. COMPATIBLE LIMITED: NOTICE IS HEREBY GIVEN, pursuant to Section 89(2) of the Insolvency Act 1986, that a meeting of the creditors of the above named company will be held at the above address on 11th October 1988 for the purpose of receiving a report prepared by the Joint Administrative Receiver and if it thought fit to establish a Committee of Creditors.

COMPANY NOTICES

NOTICE TO HOLDERS OF DU PONT OVERSEAS CAPITAL NV: BEARING SECURITIES. Copies of the 1987 Annual Report of E.I. du Pont de Nemours and Company and the Financial Statements of Du Pont Overseas Capital NV, can be obtained on request from: Du Pont Overseas Capital NV, c/o E.I. du Pont de Nemours & Co.

LEGAL NOTICES

P.C. COMPATIBLE LIMITED: NOTICE IS HEREBY GIVEN, pursuant to Section 89(2) of the Insolvency Act 1986, that a meeting of the creditors of the above named company will be held at the above address on 11th October 1988 for the purpose of receiving a report prepared by the Joint Administrative Receiver and if it thought fit to establish a Committee of Creditors.

COMPANY NOTICES

NOTICE TO HOLDERS OF SHARE WARRANTS TO BEARER DIVIDEND NO. 125: Pursuant to the notice published on 24th August, 1988 members are informed that the rate of exchange at which payments of the above dividend are to be despatched by the United Kingdom Paying Agents on 11th October, 1988 is 1.1800. The gross dividend payable by the United Kingdom Paying Agents is therefore equivalent to 125.837p per share.

Britax advertisement: Send this advertisement to your company for a FREE DESIGN incorporating your logo. Key Rings, Cuff Links, Paperweights, Enamel Badges.

Quality PROMOTIONAL GIFTS: Manufactured by Manhattan-Windsor. 221-454-1407. STEWARD ST., BIRMINGHAM, B18 7AF, England. Tel: 338633 MANHAT G. Contractors to H.M. Government.

COMPANY NOTICES: ALUMINIUM: The Financial Times proposes to publish this survey on 26th October 1988. For a full editorial synopsis and advertisement details, please contact: Anthony G. Hayes on 021-454-0922 or write to him Financial Times, George House, George Road, Edgbaston, Birmingham B15 1PG.

B.A.I. FINANCE COMPANY N.V.: U.S.D. 50,000.00 floating rate notes 1989-91. The rate of interest applicable to the interest period from 30 September 1988 up to 31 March 1989 as determined by the reference agent is 9 1/2 per cent per annum namely USD 225.00 per note of USD 5,000.00.

ART GALLERIES: THE PARK LANE ANTIQUE FAIR Park Lane Hotel, Piccadilly, W1, Oct 5th, 6-10 October.

IS AN INVESTMENT PORTFOLIO COMPLETE WITHOUT FUTURES AND OPTIONS? Call 01-930 9209 or return the coupon for our Free Guide that explains how COMMODITY FUTURES & OPTIONS might play a role in your portfolio.

Mr/Mrs/Miss Address: Telephone Number: FIRST FUTURES BROKERS LIMITED. First Futures Brokers Ltd, 126 Jermyn St, London SW1 4UG.

LONDON SHARE SERVICE

AMERICANS - Contd. Table with columns for Stock, Price, and other financial metrics.

CANADIANS. Table listing Canadian companies and their share prices.

BANKS, HP & LEASING. Table listing banks and hire purchase/leasing companies.

BEERS, WINES & SPIRITS. Table listing various beverage companies.

BUILDING, TIMBER, ROADS. Table listing construction and infrastructure companies.

BUILDING, TIMBER, ROADS - Contd. Continuation of the previous table.

CHEMICALS, PLASTICS. Table listing chemical and plastic companies.

DRAPERY AND STORES. Table listing retail and clothing companies.

ELECTRICALS. Table listing electrical and electronics companies.

ELECTRICALS - Contd. Continuation of the previous table.

ENGINEERING. Table listing engineering and technology companies.

ENGINEERING - Contd. Continuation of the previous table.

ENGINEERING - Contd. Continuation of the previous table.

FOOD, GROCERIES, ETC. Table listing food and grocery companies.

HOTELS AND CATERERS. Table listing hotel and catering companies.

INDUSTRIALS (Misc.) - Contd. Continuation of the previous table.

INDUSTRIALS (Misc.) - Contd. Continuation of the previous table.

INDUSTRIALS (Misc.) - Contd. Continuation of the previous table.

INDUSTRIALS (Misc.) - Contd. Continuation of the previous table.

INSURANCES. Table listing insurance companies.

LEISURE. Table listing leisure and entertainment companies.

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LONDON SHARE SERVICE

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LEISURE - Contd

Table listing leisure companies such as British Airways, British Overseas Airways, and others with their respective stock prices and financial data.

MOTORS, AIRCRAFT TRADES

Table listing motor and aircraft trade companies including Rover, Leyland, and others.

NEWSPAPERS, PUBLISHERS

Table listing newspaper and publishing companies like News International, Newsprint, and others.

PAPER, PRINTING, ADVERTISING

Table listing paper, printing, and advertising companies such as Newsprint, Newsprint, and others.

SHIPPING

Table listing shipping companies including British Overseas Airways, British Overseas Airways, and others.

PROPERTY

Table listing property companies such as British Overseas Airways, British Overseas Airways, and others.

SHOES AND LEATHER

Table listing shoe and leather companies like British Overseas Airways, British Overseas Airways, and others.

SOUTH AFRICANS

Table listing South African companies including British Overseas Airways, British Overseas Airways, and others.

TEXTILES

Table listing textile companies such as British Overseas Airways, British Overseas Airways, and others.

TEXTILES - Contd

Continuation of the textiles table listing more companies and their financial data.

TEXTILES - Contd

Continuation of the textiles table listing more companies and their financial data.

TOBACCO

Table listing tobacco companies including British Overseas Airways, British Overseas Airways, and others.

TRUSTS, FINANCE, LAND

Table listing trusts, finance, and land companies such as British Overseas Airways, British Overseas Airways, and others.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

TRUSTS, FINANCE, LAND - Contd

Continuation of the trusts, finance, and land table listing more companies and their financial data.

OIL AND GAS - Contd

Table listing oil and gas companies including British Overseas Airways, British Overseas Airways, and others.

OIL AND GAS - Contd

Continuation of the oil and gas table listing more companies and their financial data.

OIL AND GAS - Contd

Continuation of the oil and gas table listing more companies and their financial data.

OIL AND GAS - Contd

Continuation of the oil and gas table listing more companies and their financial data.

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Continuation of the oil and gas table listing more companies and their financial data.

OIL AND GAS - Contd

Continuation of the oil and gas table listing more companies and their financial data.

OIL AND GAS - Contd

Continuation of the oil and gas table listing more companies and their financial data.

MINES - Contd

Table listing mining companies including British Overseas Airways, British Overseas Airways, and others.

MINES - Contd

Continuation of the mines table listing more companies and their financial data.

MINES - Contd

Continuation of the mines table listing more companies and their financial data.

MINES - Contd

Continuation of the mines table listing more companies and their financial data.

MINES - Contd

Continuation of the mines table listing more companies and their financial data.

DIVERSE TRADERS

Table listing diverse traders including British Overseas Airways, British Overseas Airways, and others.

PLANTATIONS

Table listing plantation companies including British Overseas Airways, British Overseas Airways, and others.

MINES

Table listing mining companies including British Overseas Airways, British Overseas Airways, and others.

Far West Rand

Table listing Far West Rand companies including British Overseas Airways, British Overseas Airways, and others.

O.F.S.

Table listing O.F.S. companies including British Overseas Airways, British Overseas Airways, and others.

Diamond and Platinum

Table listing diamond and platinum companies including British Overseas Airways, British Overseas Airways, and others.

Central African

Table listing Central African companies including British Overseas Airways, British Overseas Airways, and others.

Finance

Table listing finance companies including British Overseas Airways, British Overseas Airways, and others.

OIL AND GAS

Table listing oil and gas companies including British Overseas Airways, British Overseas Airways, and others.

Miscellaneous

Table listing miscellaneous companies including British Overseas Airways, British Overseas Airways, and others.

THIRD MARKET

Table listing third market companies including British Overseas Airways, British Overseas Airways, and others.

NOTES

Stock Exchange dealing classifications are indicated to the right of security names: a Alpha, B Beta, C Gamma, D Delta, E Epsilon, F Feta, G Gamma, H Eta, I Iota, J Jota, K Kappa, L Lambda, M Mu, N Nu, O Omicron, P Pi, Q Rho, R Rho, S Sigma, T Tau, U Upsilon, V Phi, W Psi, X Xi, Y Eta, Z Zeta.

Regional & Irish Stocks

Table listing regional and Irish stocks including British Overseas Airways, British Overseas Airways, and others.

Traditional Options

Table listing traditional options including British Overseas Airways, British Overseas Airways, and others.

Property

Table listing property companies including British Overseas Airways, British Overseas Airways, and others.

Oil

Table listing oil companies including British Overseas Airways, British Overseas Airways, and others.

Mines

Table listing mining companies including British Overseas Airways, British Overseas Airways, and others.

Property

Table listing property companies including British Overseas Airways, British Overseas Airways, and others.

This service is available to every company dealt in on the Stock Exchange through the British Overseas Airways for a fee of £500 per annum for each security.

COMMODITIES AND AGRICULTURE

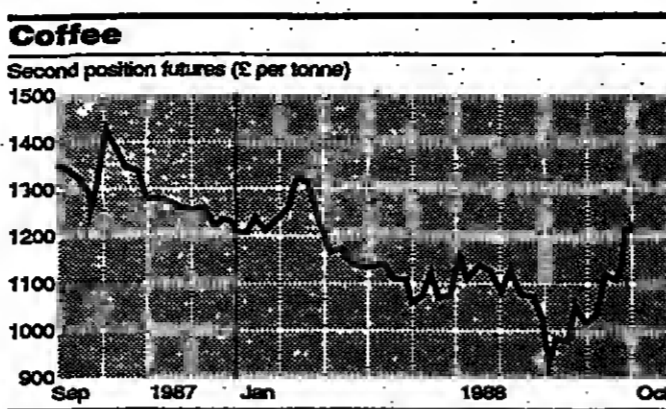
Coal price deal cheers Australian producers

By Chris Sherwell in Sydney AUSTRALIA'S COAL producers are expecting better days following a landmark agreement with Japanese power utilities on prices for steaming coal exports.

Coffee talks brew up a fresh export quota blend

David Blackwell on one of the most complicated commodity pact deals ever agreed

"WE HAVE a real camel when what we wanted was a horse," said one exhausted delegate, describing the deal struck by the International Coffee Organisation on the total global export quota for 1989-90.



The agreed 56m bag quota can only be revised upwards. If the price, as measured by the ICO 15-day average composite indicator, is above Friday's figure of 114.40 cents a lb on October 25, 1m bags of coffee will be restored. A similar increase could be triggered 15 working days later.

adding back coffee to the overall quota if the indicator price rises - which seems unlikely given the current level of prices and harvest expectations. Forecasts of world coffee supply and demand are notoriously difficult to make. A US Department of Agriculture forecast made earlier this year predicted a world coffee crop of 83m bags for 1988-89, but later developments mean this is too low, according to Mr Arthur Cherry of R.D. & F. Man. He puts world production at about 108m bags, with a total consumption (including the domestic consumption of producer countries) of 91m bags.

Producers switching to LME zinc price

By Kenneth Gooding, Mining Correspondent THE EUROPEAN Producer Price for zinc, widely used in contract negotiations, is now certain to be replaced by the London Metal Exchange's new special high grade zinc contract, which was launched only one month ago.

New Zealand in fighting mood over butter sales

Tim Dickson on the long-running battle to resist the further erosion of access to the UK market

MR MIKE MOORE, New Zealand's Minister of Overseas Trade, is likely to hear the answer today to a question which has been on everyone's lips in Brussels since the early summer. How much butter does the European Commission think his country's dairy farmers should be allowed to sell in the UK market under the current quota arrangements that expire at the end of the year?

THE EUROPEAN Community's decision on the future level of imports of New Zealand butter and sheepmeat will be a test case of the EC's attitude to trade liberalisation within the General Agreement on Tariffs and Trade. Mr Russell Marshall, New Zealand's Foreign Minister, said in London yesterday, writes Bridget Bloom. Mr Marshall said his government hoped that the EC would not cut its imports of New Zealand butter.

rich grassland pasture and a friendly climate, New Zealand's dairy industry is the most efficient in the world, and receives virtually no subsidies, and supplies a product which, largely because of its lower price, is consumed by a claimed 3m British households every month.

Two influential West German groups, Metallgesellschaft and Thyssen, are among those which will switch to the new LME contract from January. Billiton, the Royal Dutch Shell subsidiary, is expected to fall in line with them within a few days.

WORLD COMMODITIES PRICES

LONDON MARKETS

Table of London market prices for various commodities including cocoa, coffee, sugar, and metals. Columns include commodity name, price, and change.

COCOA £/tonne

Table of cocoa prices for Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct.

COFFEE £/tonne

Table of coffee prices for Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct.

SPOT MARKETS

Table of spot market prices for crude oil, diesel, and other fuels.

CRUDE OIL £/barrel FOB

Table of crude oil prices for Dubai, Brent, W.T.I., and other grades.

OTHER PRODUCTS

Table of prices for premium gasoline, heavy fuel oil, naphtha, and other products.

ALUMINIUM (3003) £/tonne

Table of aluminum prices for various grades and conditions.

COPPER (100% FINE) £/tonne

Table of copper prices for various grades and conditions.

LEAD (100% FINE) £/tonne

Table of lead prices for various grades and conditions.

LONDON METAL EXCHANGE

Table of metal exchange prices for aluminum, zinc, and other metals.

COPPER (Grade A) £/tonne

Table of copper prices for various grades and conditions.

ZINC (100% FINE) £/tonne

Table of zinc prices for various grades and conditions.

LEAD (100% FINE) £/tonne

Table of lead prices for various grades and conditions.

TIN (100% FINE) £/tonne

Table of tin prices for various grades and conditions.

NICKEL (100% FINE) £/tonne

Table of nickel prices for various grades and conditions.

PLATINUM (100% FINE) £/tonne

Table of platinum prices for various grades and conditions.

PALLADIUM (100% FINE) £/tonne

Table of palladium prices for various grades and conditions.

IRIDIUM (100% FINE) £/tonne

Table of iridium prices for various grades and conditions.

US MARKETS

IN THE METAL markets, trading was very moderate, reports Dresser.

CRUDE OIL (Light 42,000 US gal) \$/barrel

Table of crude oil prices for various grades and conditions.

COFFEE (C) 37,000 lbs/cen/bu

Table of coffee prices for various grades and conditions.

COPPER (100% FINE) \$/tonne

Table of copper prices for various grades and conditions.

ZINC (100% FINE) \$/tonne

Table of zinc prices for various grades and conditions.

LEAD (100% FINE) \$/tonne

Table of lead prices for various grades and conditions.

TIN (100% FINE) \$/tonne

Table of tin prices for various grades and conditions.

NICKEL (100% FINE) \$/tonne

Table of nickel prices for various grades and conditions.

PLATINUM (100% FINE) \$/tonne

Table of platinum prices for various grades and conditions.

PALLADIUM (100% FINE) \$/tonne

Table of palladium prices for various grades and conditions.

Chicago

Table of Chicago market prices for soybeans and other commodities.

SOYBEANS 5,000 bu min; cent/bu bushel

Table of soybean prices for various grades and conditions.

MAIZE 5,000 bu min; cent/bu bushel

Table of maize prices for various grades and conditions.

WHEAT 5,000 bu min; cent/bu bushel

Table of wheat prices for various grades and conditions.

LINE CATTLE 4,000 lbs cent/bu

Table of line cattle prices for various grades and conditions.

LINE HOGS 30,000 lbs cent/bu

Table of line hog prices for various grades and conditions.

PORK BELT 30,000 lbs cent/bu

Table of pork belt prices for various grades and conditions.

SOYBEAN OIL 100 lbs cent/bu

Table of soybean oil prices for various grades and conditions.

SOYBEAN MEAL 48% min; cent/bu

Table of soybean meal prices for various grades and conditions.

SOYBEAN MEAL 67% min; cent/bu

Table of soybean meal prices for various grades and conditions.

SOYBEAN MEAL 80% min; cent/bu

Table of soybean meal prices for various grades and conditions.

WORLD STOCK MARKETS

CANADA

Table of stock market data for Canada, including Toronto and Montreal indices, and a list of individual stock prices with their respective changes.

INDICES

Table of various stock indices including New York (Dow Jones), Tokyo, and other international indices, showing their values and percentage changes.

CANADA

Table of Canadian stock market data, including Toronto and Montreal indices and a list of individual stock prices.

NEW YORK ACTIVE STOCKS

Table of active stock prices in New York, listing stock names, prices, and changes.

TOKYO - Most Active Stocks

Table of the most active stock prices in Tokyo, listing stock names, prices, and changes.

HONG KONG

Table of stock market data for Hong Kong, including indices and individual stock prices.

SINGAPORE

Table of stock market data for Singapore, including indices and individual stock prices.

FINANCIAL TIMES

Advertisement for Financial Times magazine, featuring the headline 'Have your F.T. hand delivered in Switzerland' and '12 FREE ISSUES'.

Table of stock market data for Australia, including indices and individual stock prices.

Table of stock market data for Belgium, including indices and individual stock prices.

Table of stock market data for Brazil, including indices and individual stock prices.

Table of stock market data for Canada (repeated), including indices and individual stock prices.

Table of stock market data for Denmark, including indices and individual stock prices.

Table of stock market data for France, including indices and individual stock prices.

Table of stock market data for Germany, including indices and individual stock prices.

Table of stock market data for Japan, including indices and individual stock prices.

Table of stock market data for Korea, including indices and individual stock prices.

Table of stock market data for the Netherlands, including indices and individual stock prices.

Table of stock market data for Norway, including indices and individual stock prices.

Table of stock market data for Portugal, including indices and individual stock prices.

Table of stock market data for Singapore, including indices and individual stock prices.

Table of stock market data for South Africa, including indices and individual stock prices.

Table of stock market data for Sweden, including indices and individual stock prices.

Table of stock market data for Switzerland, including indices and individual stock prices.

Table of stock market data for Taiwan, including indices and individual stock prices.

Table of stock market data for Thailand, including indices and individual stock prices.

Table of stock market data for the United Kingdom, including indices and individual stock prices.

Table of stock market data for the United States, including indices and individual stock prices.

Table of stock market data for West Germany, including indices and individual stock prices.

Table of stock market data for Hong Kong (repeated), including indices and individual stock prices.

Table of stock market data for Singapore (repeated), including indices and individual stock prices.

Table of stock market data for South Africa (repeated), including indices and individual stock prices.

Table of stock market data for Sweden (repeated), including indices and individual stock prices.

Table of stock market data for Switzerland (repeated), including indices and individual stock prices.

Table of stock market data for Taiwan (repeated), including indices and individual stock prices.

Table of stock market data for Thailand (repeated), including indices and individual stock prices.

Table of stock market data for the United Kingdom (repeated), including indices and individual stock prices.

Table of stock market data for the United States (repeated), including indices and individual stock prices.

Table of stock market data for West Germany (repeated), including indices and individual stock prices.

Table of stock market data for Hong Kong (repeated), including indices and individual stock prices.

3pm prices October 3

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Stock	High	Low	Open	Close	Change	Volume	Open	Close	Change	Volume
AA	14 1/2	14 1/2	14 1/2	14 1/2						
AAA	14 1/2	14 1/2	14 1/2	14 1/2						
AAAB	14 1/2	14 1/2	14 1/2	14 1/2						
AAAC	14 1/2	14 1/2	14 1/2	14 1/2						
AAAD	14 1/2	14 1/2	14 1/2	14 1/2						
AAAE	14 1/2	14 1/2	14 1/2	14 1/2						
AAAF	14 1/2	14 1/2	14 1/2	14 1/2						
AAAG	14 1/2	14 1/2	14 1/2	14 1/2						
AAAH	14 1/2	14 1/2	14 1/2	14 1/2						
AAAI	14 1/2	14 1/2	14 1/2	14 1/2						
AAAJ	14 1/2	14 1/2	14 1/2	14 1/2						
AAAK	14 1/2	14 1/2	14 1/2	14 1/2						
AAAL	14 1/2	14 1/2	14 1/2	14 1/2						
AAAM	14 1/2	14 1/2	14 1/2	14 1/2						
AAAN	14 1/2	14 1/2	14 1/2	14 1/2						
AAAO	14 1/2	14 1/2	14 1/2	14 1/2						
AAAP	14 1/2	14 1/2	14 1/2	14 1/2						
AAAQ	14 1/2	14 1/2	14 1/2	14 1/2						
AAAR	14 1/2	14 1/2	14 1/2	14 1/2						
AAAS	14 1/2	14 1/2	14 1/2	14 1/2						
AAAT	14 1/2	14 1/2	14 1/2	14 1/2						
AAAU	14 1/2	14 1/2	14 1/2	14 1/2						
AAAV	14 1/2	14 1/2	14 1/2	14 1/2						
AAAW	14 1/2	14 1/2	14 1/2	14 1/2						
AAAX	14 1/2	14 1/2	14 1/2	14 1/2						
AAAY	14 1/2	14 1/2	14 1/2	14 1/2						
AAAZ	14 1/2	14 1/2	14 1/2	14 1/2						
AABA	14 1/2	14 1/2	14 1/2	14 1/2						
AABB	14 1/2	14 1/2	14 1/2	14 1/2						
AABC	14 1/2	14 1/2	14 1/2	14 1/2						
AABD	14 1/2	14 1/2	14 1/2	14 1/2						
AABE	14 1/2	14 1/2	14 1/2	14 1/2						
AABF	14 1/2	14 1/2	14 1/2	14 1/2						
AABG	14 1/2	14 1/2	14 1/2	14 1/2						
AABH	14 1/2	14 1/2	14 1/2	14 1/2						
AABI	14 1/2	14 1/2	14 1/2	14 1/2						
AABJ	14 1/2	14 1/2	14 1/2	14 1/2						
AABK	14 1/2	14 1/2	14 1/2	14 1/2						
AABL	14 1/2	14 1/2	14 1/2	14 1/2						
AABM	14 1/2	14 1/2	14 1/2	14 1/2						
AABN	14 1/2	14 1/2	14 1/2	14 1/2						
AABO	14 1/2	14 1/2	14 1/2	14 1/2						
AABP	14 1/2	14 1/2	14 1/2	14 1/2						
AABQ	14 1/2	14 1/2	14 1/2	14 1/2						
AABR	14 1/2	14 1/2	14 1/2	14 1/2						
AABS	14 1/2	14 1/2	14 1/2	14 1/2						
AABT	14 1/2	14 1/2	14 1/2	14 1/2						
AABU	14 1/2	14 1/2	14 1/2	14 1/2						
AABV	14 1/2	14 1/2	14 1/2	14 1/2						
AABW	14 1/2	14 1/2	14 1/2	14 1/2						
AABX	14 1/2	14 1/2	14 1/2	14 1/2						
AABY	14 1/2	14 1/2	14 1/2	14 1/2						
AABZ	14 1/2	14 1/2	14 1/2	14 1/2						
AACA	14 1/2	14 1/2	14 1/2	14 1/2						
AACB	14 1/2	14 1/2	14 1/2	14 1/2						
AACC	14 1/2	14 1/2	14 1/2	14 1/2						
AACD	14 1/2	14 1/2	14 1/2	14 1/2						
AACE	14 1/2	14 1/2	14 1/2	14 1/2						
AACF	14 1/2	14 1/2	14 1/2	14 1/2						
AACG	14 1/2	14 1/2	14 1/2	14 1/2						
AACH	14 1/2	14 1/2	14 1/2	14 1/2						
AACI	14 1/2	14 1/2	14 1/2	14 1/2						
AACJ	14 1/2	14 1/2	14 1/2	14 1/2						
AACK	14 1/2	14 1/2	14 1/2	14 1/2						
AACL	14 1/2	14 1/2	14 1/2	14 1/2						
AACM	14 1/2	14 1/2	14 1/2	14 1/2						
AACN	14 1/2	14 1/2	14 1/2	14 1/2						
AACO	14 1/2	14 1/2	14 1/2	14 1/2						
AACP	14 1/2	14 1/2	14 1/2	14 1/2						
AACQ	14 1/2	14 1/2	14 1/2	14 1/2						
AACR	14 1/2	14 1/2	14 1/2	14 1/2						
AACS	14 1/2	14 1/2	14 1/2	14 1/2						
AACT	14 1/2	14 1/2	14 1/2	14 1/2						
AACU	14 1/2	14 1/2	14 1/2	14 1/2						
AACV	14 1/2	14 1/2	14 1/2	14 1/2						
AACW	14 1/2	14 1/2	14 1/2	14 1/2						
AACX	14 1/2	14 1/2	14 1/2	14 1/2						
AACY	14 1/2	14 1/2	14 1/2	14 1/2						
AACZ	14 1/2	14 1/2	14 1/2	14 1/2						
AACA	14 1/2	14 1/2	14 1/2	14 1/2						
AACB	14 1/2	14 1/2	14 1/2	14 1/2						
AACC	14 1/2	14 1/2	14 1/2	14 1/2						
AACD	14 1/2	14 1/2	14 1/2	14 1/2						
AACE	14 1/2	14 1/2	14 1/2	14 1/2						
AACF	14 1/2	14 1/2	14 1/2	14 1/2						
AACG	14 1/2	14 1/2	14 1/2	14 1/2						
AACH	14 1/2	14 1/2	14 1/2	14 1/2						
AACI	14 1/2	14 1/2	14 1/2	14 1/2						
AACJ	14 1/2	14 1/2	14 1/2	14 1/2						
AACK	14 1/2	14 1/2	14 1/2	14 1/2						
AACL	14 1/2	14 1/2	14 1/2	14 1/2						
AACM	14 1/2	14 1/2	14 1/2	14 1/2						
AACN	14 1/2	14 1/2	14 1/2	14 1/2						
AACO	14 1/2	14 1/2	14 1/2	14 1/2						
AACP	14 1/2	14 1/2	14 1/2	14 1/2						
AACQ	14 1/2	14 1/2	14 1/2	14 1/2						
AACR	14 1/2	14 1/2	14 1/2	14 1/2						
AACS	14 1/2	14 1/2	14 1/2	14 1/2						
AACT	14 1/2	14 1/2	14 1/2	14 1/2						
AACU	14 1/2	14 1/2	14 1/2	14 1/2						
AACV	14 1/2	14 1/2	14 1/2	14 1/2						
AACW	14 1/2	14 1/2	14 1/2	14 1/2						
AACX	14 1/2	14 1/2	14 1/2	14 1/2						
AACY	14 1/2	14 1/2	14 1/2	14 1/2						
AACZ	14 1/2	14 1/2	14 1/2	14 1/2						

Continued on Page 49

10 FILTER CIGARETTES

20 CLASS A CIGARETTES

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NYSE COMPOSITE PRICES

Table of NYSE Composite Prices with columns for High, Low, Open, Close, and various stock symbols.

OVER-THE-COUNTER

Need national market, 4pm prices October 3

Table of Over-the-Counter prices with columns for High, Low, Open, Close, and various stock symbols.

AMEX COMPOSITE PRICES

Table of AMEX Composite Prices with columns for High, Low, Open, Close, and various stock symbols.

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